The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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SATURDAY, APRIL 22, 1933 VOLUME 64, NUMBER 8

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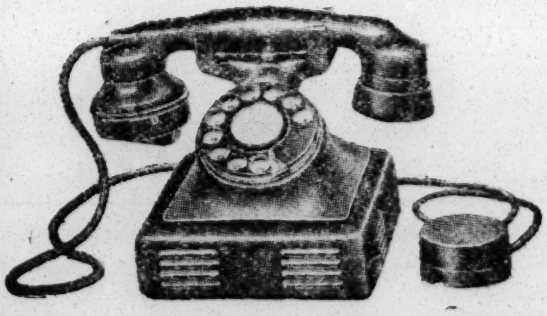

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The China Weekly REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 64 | Shanghai, China, Saturday, April 22, 1933 | Number 8

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 38 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 38 AVENUE EDWARD VII, SHANGHAI, CHINA, TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

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London Office—Copies of the latest issues of *The Review* may be obtained from the office of W. H. Smith and Son, Ltd., Strand House, Portugal Street, London, W. C. 2.

THE MANCHUKUO "PLUM" CAUSES COMPLICATIONS IN JAPAN

ASIDE from Japan's obvious intentions to annex the territory, about all that has happened in Manchuria since the Japanese Army took over the country, has been the substitution of Japanese military dictatorship for the previous Chinese military dictatorship. In place of Marshal Chang Hsueh-liang ruling in Mukden, there is the Japanese General Muto ruling in Changchun. Military barracks, previously occupied by Chinese troops, are now filled with Japanese soldiers. Governmental posts in the central and provincial headquarters, previously held by Chinese citizens, are now staffed by Japanese. Railways and telegraphs, previously operated by the Chinese are now run by the Japanese. Revenue departments such as the customs and salt-monopoly as well as the official and semi-official banks are now conducted entirely by the Japanese. Previously they were operated by the Chinese.

When the Imperial Japanese Army grabbed Manchuria, the General Staff in Tokyo announced that its primary object was to create a "paradise on earth" in a territory which allegedly had been mis-governed by the Chinese. In carrying out this project the Imperial Japanese Army has been eminently successful for it has created a "paradise" for several thousand Japanese adventurers who have been lucky enough to get jobs in Manchuria. According to reports of foreign consular officials in Manchuria these hordes of Japanese who have flocked into Manchuria since the Japanese occupation, receive salaries which are double and sometimes quadruple what they previously received in similar posts in Japan. Manchuria also offers vast opportunity for graft and squeeze which opportunity did not exist in the homeland.

Manchuria has thus become a genuine "paradise" or happy hunting ground for a considerable number of Japanese for there is little or no restriction on their activities in Manchuria so long as they do not get into complications with the Japanese military authorities to whom they owe their jobs. The unfortunate Chinese peasants, some thirty millions of them, who live in Manchuria and who can't get away, must of necessity pay for all this Japanese military exploitation and graft—but who in Japan worries about the welfare of Chinese peasants? However, it is of some significance to learn from the Japanese newspapers that the Manchurian "plum" is causing

domestic complications in Japanese home politics. This is due to the fact that all of the good jobs have gone to the Japanese army or its friends in home Japanese politics. Japanese politicians, controllers of the leading political parties, particularly the Seiyukai, resent this situation but apparently have not yet developed sufficient influence to effect a change.

The Seiyukai party, leading political group in Japan, wants to oust the present Saito cabinet which is a sort of "hodge-podge" of political elements controlled by the military. And behind the Seiyukai demand for a return to party-government is the desire to participate in the distribution of Manchurian political "plums." This apparently explains why Admiral Viscount Saito, head of the present military dominated cabinet adopted the unusual course of visiting the Emperor and causing him (the Emperor) to request certain disgruntled cabinet ministers to remain in office. Takehashi, Minister of Finance and Koyama, Minister of Justice want to resign. Takehashi wants to quit because finances in Japan are in such a tangled state that national bankruptcy appears to be inevitable. Koyama wants to resign because of the spread of "dangerous-thoughts," otherwise communism, among the judiciary. Should these two important officials resign it would precipitate a crisis and the result probably would be a return to party government with the Seiyukai group in control. But General Araki, Minister of War and his "puppet" premier, Admiral Viscount Saito, are afraid of a political change at this time. Therefore they secretly inform the Emperor that Manchukuo desires the present cabinet to remain in office. Reduced to its essentials this means that the horde of Japanese officials in Manchuria who owe their present comfortable jobs and handsome salaries and other opportunities for personal enrichment to the military authorities, do not, for obvious reasons, wish to see a change that might result in loss of said jobs. Considered the other way around, the Seiyukai as well as the other political groups in Japan, naturally do not wish to see the military grab everything. They also desire some of the emoluments which go with office-holding and political power in the new territory.

Prior to the occupation of Mukden in the fall of 1931, the South Manchuria Railway was the chief Japanese political "plum" in Manchuria. Every time there was a political change in Japan, there was also a general shift of officials of the government-controlled railway in Manchuria. A young Japanese engineer, employed on the S. M. R. once told the writer that a political change in Tokyo usually meant the firing of some 3,000 employees of the S. M. R. and the appointment of new men to the positions. At that time the S. M. R. only consisted of some 600 miles, but since the Japanese army occupied Manchuria all of the Chinese railways have been amalgamated with the S. M. R. making the total mileage somewhere around 2,000. This means several more thousands of Japanese officials in this field alone and then in addition there are the telegraphs, customs, salt-monopoly, official banks and administrative offices in the provinces and central government at Changchun. The opportunities are almost endless for even the Japanese labor unions have entered the squabble for Manchurian jobs. Kurakichi Suzuki, head of the Japanese Seamen's Union, departed for Changchun on April 8 with the announced object of inducing the Manchukuo authorities to authorize the employment of Japanese seamen on all river-craft on the Sungari and other navigable streams of Manchuria. He stated in an interview that there are more than 400 vessels plying on the Sungari alone and if these ships employed Japanese seamen it would be of great assistance in reducing unemployment in Japan. What would happen to the thousands of Chinese boatmen thus ousted from their jobs apparently did not worry Mr. Suzuki, who suggested as a preliminary move that some 38 river steamers previously belonging to Marshal Chang Hsueh-liang, but now tied up at the Harbin docks, be converted to Japanese use and operation. Also there has been a strong demand that all ships belonging to the D. K. K., or Dairen Steamship Company, a subsidiary of the South Manchuria Railway, be compelled to employ Japanese seamen exclusively. Heretofore these ships which ply between Manchurian ports and Japan proper as well as Chinese ports, have employed Chinese seamen. The Japanese Seamen's Union, apparently with the support of the Ministry of Overseas Affairs, now demands that all Chinese sailors be discharged and Japanese employed exclusively.

The opportunities for new jobs for Japanese in the Manchukuo "paradise" appear to be endless. Recently the *Japan Chronicle* reported that 42 Japanese judges and lawyers had arrived in Harbin to take over the courts previously staffed by Chinese judges. The Russian emigrees in North Manchuria also are feeling the pinch of Japanese competition for while they previously received lucrative employment under the Chinese administration, they are now being dismissed and Japanese are given the jobs. Should the Japanese proceed with their threatened seizure of the Russian-owned Chinese Eastern Railway with its 1,200 miles of trackage, that would open up still more jobs for hungry Japanese adventurers in the Manchukuo "paradise," for in 1929 the C. E. R. had more than 3,000 Russian and Chinese employees in its head office alone. Then in addition to the jobs in the Manchukuo government and its departments, railways, telegraphs, etc., etc., there are the so-called "armed-immigrants" who are being sent to Manchuria by the military reservists organizations. They are being settled on land confiscated from the previous Chinese administration or seized outright from the Chinese civilian land-owners. These armed-immigrants, all of whom have had military service in Japan and who are being supported by the Japanese army in Manchuria, are being placed in strategic locations adjacent to the Soviet boundary.

That there is great possibility for serious complications in Japanese home politics involved in this Manchukuo situation goes without saying for these hordes of Japanese job-holders and adventurers obviously will not give up their positions without a struggle. Also, they will constantly strive to influence and manipulate home Tokyo politics to their advantage. With the most effective units of the Japanese Army stationed in Manchuria giving full support to the puppet administration, it apparently will not be long before the Manchukuo tail will be wagging the Japanese dog.

MAJOR DOOLITTLE'S THRILLING AERIAL EXPLOITS

MAJOR JAMES H. DOOLITTLE, who was born in Alameda, California, spent his boyhood days in Nome, Alaska, and possesses three scientific degrees which he obtained in California University and the Massachusetts Institute of Technology, arrived in Shanghai on Wednesday of last week. But please don't let the degrees frighten you for Major Doolittle is no "high-brow," meaning by this that he is very much of a human being and doesn't permit his collegiate honors or the greater honors in aviation which he has achieved in civilian life since leaving college, bother him in the least. He came to China directly from St. Louis, Missouri and brought with him a little Curtis-Wright "Hawk" plane. Before his ship landed at the Shanghai jetty, he told the captain of the steamer that if he could get his plane assembled in time he would fly out and tell him goodbye. The ship had sailed about four hours before Major Doolittle got his "Hawk" assembled, but despite the fact his plane had not been thorough tested, he hopped off and flew down the Whangpoo and then out beyond the mouth of the Yangtsze for about twenty-five miles before he found the departing ship. Not daunted in the least that he was flying a perfectly new land plane well out at sea he circled about the ship and waved the captain and passengers goodbye and then returned to Shanghai. The following day he performed the most intricate aerial stunts imaginable for the entertainment and edification of several hundred Chinese school children and a group of Chinese and Americans who had gathered at the Lunghwa airdrome. He then flew over the western residential district of the Settlement and did some more stunts for his friend Christy Mathewson, Jr., who is laid up in the hospital recovering from a serious airplane smash of several weeks ago. The following day another and larger group of Chinese and foreigners (including more school children) gathered at the airdrome and they received an unexpected treat. The weather was bad and everybody expected the exhibition to be postponed, that is everybody excepting Major Doolittle. Not bothered in the least by the clouds which hung not over two hundred feet from the ground, the flying American major, vaulted up into the heavens and completely disappeared in the mist. The next moment the crowd fairly held its breath for after gaining an altitude of some 3,000 feet he put his machine into a power-dive and came down through the clouds to within a dozen feet of the ground at a rate of speed which must have exceeded 300 miles an hour. Vaulting upward again at a steep angle, he turned his plane upside down and re-appeared from the clouds in that position. We do not know all the technical terms for all of the stunts which Major Doolittle performed but he put all the feathered birds to shame. Once after a power-dive, he drove the plane straight upward for at least 800 feet. Then he came down near the ground with his engine throttled at a very low rate of speed, apparently intending to land, but after the wheels touched the ground he changed his mind and took off again for more thrilling turns and gyrations.

Something also must be said about the plane, apparently the latest word in modern fighting machines. The wing-span is not over twenty-five feet, hence it could be placed in a moderate size room. But the engine—and therein is the secret—for it carries 650 horsepower and in the factory test developed 700 horsepower. One shudders at the damage it might do for with two machine-guns, one of 50-caliber, and racks for ten bombs it could created more destruction than a half-dozen Japanese planes did in Chapei last year. The smallness of the plane, combined with the powerful engine, enables it to land almost anywhere and to take off on an almost unbelievably small space of ground. Usually the wheels leave the ground within 100 feet of the starting point. Had the Chinese possessed half a-dozen of these planes and an ability to operate them, no Japanese planes would have dared violate Shanghai or any other Chinese city last year. Incidentally it should be stated the plane is constructed for defence only as its cruising radius is only about 350 miles.

Major James H. Doolittle

But to get back to Major Doolittle himself, he served in the aviation department throughout America's participation in the great war. In 1922, the year of the Washington arms conference, he made the first one-step flight across the United States, accomplishing the 3,000 mile trip in less than 24 hours. In 1925 he won the International Schneider Cup Race for seaplanes at a speed of 232 miles an hour. The following day he broke his own record by flying 245 miles an hour. The major then flew all over South America and on one occasion won a competition with both ankles in bandages, having sprained them in a scuffle with a friend. In 1929 he conducted flying experiments under the auspices of the Guggenheim fund and once flew a plane with the cockpit screened so that he could not see the ground from any angle. In 1930 he resigned his commission in the army and took up civilian flying. The following year he flew across the United States in 11 hours, 16 minutes and 10 seconds, less than a half day from coast to coast. Jointly with Lieut. Cyrus Bettus he was presented with the Mackey Trophy, holds the distinguished flying cross for work in testing planes, has been awarded flying honors in a half-dozen countries and finally broke the world's record in 1932 for land-planes, flying at Cleveland, Ohio at the rate of 294.48 miles per hour. The same year at the national air races,

also at Cleveland, he established a new world's record for a closed course, his speed on this occasion being 252.68 miles per hour.

If you haven't seen Major Doolittle do stunts with his plane, by all means don't miss the opportunity for he is a genius and a real human being at the same time. Chinese and foreigners owe him and the interests responsible for his appearance here a deep debt of gratitude. But by all means don't miss the opportunity of seeing him perform!

JAPANESE BAZAARS GIVE EVIDENCE OF BOYCOTT STRENGTH

THERE recently have been opened in Shanghai a number of Japanese bazaars which represent a cooperative movement on the part of small Osaka manufacturers to circumvent the Chinese boycott. In many ways the bazaars are quite similar to the familiar American 5 and 10-cent stores, which, incidentally are a chief outlet for Japanese goods in the United States. Heretofore the small manufacturers of the Osaka district have sold their wares through innumerable Chinese retail shops, but since the strengthening of the boycott these outlets have gradually been closed, hence as a last resort the manufacturers have pooled their efforts and have opened independent shops which are operated entirely by the Japanese. Rather, we should say "almost entirely" for the cashiers in the largest bazaar located in the Hongkew district are Chinese. In these shops one finds innumerable cheap articles, kitchen utensils, cutlery, glassware, toys, candies, tinned foods, perfumery, soaps and in some cases fruits and fresh vegetables. Similar outlets for this type of Japanese goods are being opened in the Philippines, Netherlands Indies, Straits Settlements, these retail markets also having been dominated by Chinese merchants. Since the prices in these shops are low, in some cases unbelievably low, they are doing a considerable business, but the customers are entirely occidentals, the Chinese keeping clear of them. Since the Chinese previously constituted the chief customers for these lines of Japanese goods, their absence must have resulted in tremendous losses for these Osaka manufacturers, innocent victims of the madness of Japan's war-lords who have destroyed a market which Japan must have to live and prosper. There can be little sympathy for the so-called barons of Japanese industry such as the Mitsuis and Mitsubisis who are really partners of the war-lords for they openly share in the spoils dragged in by the Imperial Army, but for these small manufacturers whose businesses have been all but destroyed as a result of the boycott, there can be naught but sympathy. The fact they have made this final desperate attempt to establish independent retail outlets is a most eloquent testimonial to the strength of the Chinese ban on Japanese goods. While the strongest of these firms may be able to survive the boycott and maintain a precarious foothold in the China market, most of them will be eliminated entirely, for the Chinese are rapidly learning to imitate these goods in wholesale fashion. A well-known Chinese department store in Shanghai is even selling Chinese-produced dwarf trees and miniature gardens, almost exact imitations of the familiar little pine and fir trees which the Japanese have marketed for many years.

PEARL BUCK AND THE PRESBYTERIAN FUNDAMENTALISTS

PEARL BUCK is about to be "churched," a colloquial American expression which means she is on the point of losing her membership in the Presbyterian Church, a leading occidental religious group which has extensive missionary connections in China. Before she became famous as the author of "The Good Earth," "Sons" and other popular works of fiction dealing with Chinese life, Mrs. Buck was herself engaged in missionary work in China. Furthermore, her father and mother were missionaries and her husband, J. Lossing Buck is head of the College of Agriculture and Forestry of Nanking University, a missionary institution. While there was some criticism in missionary circles of her popular novels which dealt rather graphically with the sex-life of her Chinese fiction characters, her present complications appear to have come from articles she wrote for Hearst's *Cosmopolitan* and from a speech which she delivered in New York wherein she referred to missionaries, or at least some of them, as "bores." Since bores are tiresome persons and since most persons are bores in some manner or other, whether inside missionary groups or outside, Mrs. Buck has got herself into serious trouble with some of the leaders of her church. Charges were filed against her by the Rev. J. Gresham Mayhen of Philadelphia, one of the so-called "fundamentalist" leaders in the sect. He said that Mrs. Buck's writings and speeches were not orthodox, were detrimental to the missionary movement; hence she should be kicked out. Mrs. Buck has refused to appear before the mission board to answer the charges so she probably will have her membership cancelled. Since we do not have sufficient space available for reprinting Mrs. Buck's articles that got her into trouble, we will do the next best thing by referring our readers to the Shanghai *Evening Post* which printed them in full in its issues of April 14 and 15. The title was, "Is there a case for foreign missions?"

Since the writer is not competent to pass judgment on the technical phases of the controversy, which doubtless has merits and demerits on both sides, all we can do is express the viewpoint that Mrs. Buck has become the victim of her own success. We would not go so far as to say she has become too "high-browed," for that probably is not entirely correct. But she probably has been too outspoken on some phases of missionary work regarding which she apparently was not too well informed. Her declaration, for example that all missionaries should possess college degrees and become unofficial "ambassadors of good-will" from the occident to the orient is rather far-fetched. Hundreds of occidental missionaries who have accomplished the greatest good in China possessed no college degrees at all. Possibly they may have been uncouth in appearance and not too well educated in the collegiate sense. But they possessed a vision and a purpose and they went forth to convert and they did convert and they did a

tremendous amount of good among the people with whom they worked. We remember once traveling in the far interior and coming across an American missionary delivering a speech on a street corner in a native village. He possessed no college degrees and he spoke his own language ungrammatically, but the people in that district admired him, had confidence in him and came to him by the hundreds for advice and help when they were sick or in trouble. This man happened to be a member of a protestant sect, but we also knew a Catholic priest, German by nationality, who had more influence among the bandits and unruly elements in a certain mountainous section of China than any other man in the whole province, Chinese officials not excepted. He had lived there for thirty years, was supported entirely by the people with whom he associated, spoke their language, ate their style of food and was one of them. But the man was not "educated" in the accepted sense of the term. To Mrs. Buck he probably would be regarded as a bore and a back-number, but he was a good man and possessed tremendous influence. Whenever anyone got into trouble, whether bandit or peasant farmer, it was Father Blank who was appealed to for help and he did help to the best of his ability. Also he had taught the natives in his district how to make excellent wine and thereby helped them improve their economic status and ability to pay taxes.

Mrs. Buck may have been quite correct about some of the missionaries in her own particular class, that is, college professors. But she was entirely wrong in making general statements. The idea that a missionary working among primitive tribesmen in the distant interior, for example, should possess a Ph. D. degree is pure nonsense. College degrees would be wasted in such a community, but they would be highly necessary in Mrs. Buck's field. Considered from this point of view the Jesuits owe much of their success to their adaptability. They sent businessmen to work among businessmen, college men to work among educated people, scientists to work among scientists, and a laborer to work among laborers. Much of the trouble which occidental missionaries are now experiencing is due largely to the fact many missionaries are not a part of their communities and really know little about what is going on around them. Mrs. Buck, who was born and reared in China, does know a great deal about the Chinese people and their problems. Her books indicate this. But we frankly doubt whether she knows very much about missionaries, or the real missionary problem. Her troubles began when she started to lecture her own craftsmen on how their work should be conducted. And particularly at this time when the rank and file of mission workers are harassed by changed conditions in their various fields and equally harassed by changed conditions adversely affecting religious life and thought in their home occidental communities.

China Versus Japan at the Washington Conference

ALTHOUGH President Franklin D. Roosevelt has announced that the informal conferences to be held in Washington will be concerned primarily with currency, exchange and economic subjects pertaining to prices of world commodities, the delegates of China and Japan are proceeding to the American capital with other ideas in mind. A perusal of the recent reports from Washington bearing on the forthcoming conference also reveals the fact that American officialdom intends to consider other matters than the three subjects mentioned. This factor was plainly evident in the invitation which was extended to Japan to send a delegate to the Conference for the invitation specifically mentioned the "general relations" of the United States and Japan. The action of Japan in appointing Viscount Kikujiro Ishii, well known diplomat, former Ambassador to Washington and, incidentally, the author of the Lansing-Ishii agreement, also indicates quite clearly that important diplomatic issues are to be discussed in addition to economic and currency matters.

The Washington meeting, although it is to be informal and of a "fire-side-tea-cup" character, is generally recognized however, to be of high importance because the success or failure of the meeting will have a direct bearing on the formal World Economic Conference which is scheduled to be held in London on June 15. Should the Washington conversations give little promise of success it will have an immediate reaction on the London gathering, making that meeting abortive or possibly unnecessary. According to reports from Washington, Secretary of State Cordell Hull has sent invitations to eleven countries, the list coinciding generally with the Powers which were represented at the Washington Arms Conference in 1921-1922, with the addition of Germany, Poland, and some South American countries. Since Russia and the United States are not in diplomatic relationship, the Soviets will not be included in the Washington parleys. However, a *United Press* report from the American capital on April 15 suggested the possibility that the United States may issue an important statement on the subject of Russian recognition within the next ten days, thus making it possible that Russia may be represented at the London parleys. It should be emphasized that the conferences at Washington are not to be of the "round-table" type with all the delegates represented at one meeting. On the contrary there will be separate talks between representatives of the United States and each of the foreign nations that send delegates. That the various nations recognize the importance of the gathering was indicated in the choice of delegates —Macdonald for Great Britain, , Herriot for France, Jung for Italy, Bennett for Canada, Dr. Luther for Germany, Ishii for Japan and T. V. Soong for China.

While the invitations issued to the various countries apparently were not similar, all included the three main topics,

1—Modification of all tariffs or even abolition in certain classifications where such action will stimulate world trade.
2—Stabilization of international exchange, preferably by a gradual but general re-establishment of the gold standard.
3—Stimulation of commodity prices.

But as indicated in the foregoing, the invitations apparently differed to the extent that nations having specific problems with respect to

their relations with the United States, were asked to be prepared to discuss those problems. Japan, for example, was asked to discuss her "general relations" with the United States and a suggestion for discussion of the arms limitation problem was included in the invitation sent to Britain, France and Italy. Britain and France also apparently were asked to discuss the problem of the war debts. However, despatches from Washington indicate that President Roosevelt will attempt as far as possible to steer clear of political questions excepting such as may have a direct bearing on economic matters. A Washington despatch in the *Japan Advertiser* on April 13 quoted the Secretary of State as saying that while political questions would be avoided, it would nevertheless be necessary to consider certain political aspects of the world situation, particularly armament. Referring to Japan, observers in the American capital who are in close touch with the situation in the Far East expressed the view that political questions in the Orient are certain to be brought up, at least informally, in connection with the general relations of Japan and the United States. A *Rengo* message from Washington on April 11 voiced the opinion that questions pertaining to Manchuria were not likely to be touched upon.

The Japanese Government as well as the Japanese press have devoted major attention to various aspects of the Conference since the receipt of the invitation from President Roosevelt to participate. A special meeting of the Cabinet was held wherein it was decided to send Viscount Ishii as Japan's chief delegate, the assumption being that Japan should be prepared to discuss any subject which President Roosevelt and officials of the State Department might wish to bring up. A further report in the *Japan Advertiser* on April 10 quoted the Foreign Minister, Count Yasuya Uchida to the effect that Japan was determined to bring up the suppression of the anti-Japanese boycott in China as well as the American recognition of Manchuria and that instructions to this effect already had been sent to Katsuji Debuchi, Japanese Ambassador in Washington. The *Tokyo Nichi-Nichi* went further and said that Japan will attempt to interest American capitalists and manufacturers in the development of Manchukuo as a means of relieving the economic depression. The paper also said that the Japanese delegates will emphasize that the prevailing complications between Japan and China seriously interfere with Far Eastern trade, hence Japan will insist that action be taken to put an end to the anti-Japanese boycott in China.

Dispatches from correspondents of leading Japanese newspapers stationed in America and Europe indicate that Japan suspects a hidden ulterior motive on the part of the United States in respect to the Conference. The *Osaka Mainichi's* correspondent in New York in a message published in his paper on April 12 declared, "It stands to reason that America wants to take advantage of the coming Washington parley largely in order to realize the following ends,

1—To find outlets for her surplus capital and production.
2—To stimulate her exports through the stabilization of exchange.
3—To assist Britain to return to the gold standard.

Continuing the correspondent forecasted that the United States will exercise strong pressure on the delegates of the 11 invited nations, some-

China's Delegate to Washington

T. V. Soong

The National Government, by official mandate, on April 17 appointed T. V. Soong as China's representative to participate in the Washington conversations regarding world economic issues. Prior to his departure from Shanghai on the Dollar Line steamer President Jefferson on April 18, Mr. Soong declared:

"We talk of the economic depression in China as if we alone are sufferers. Doubtless our difficulties have been greatly accentuated by the ruthless Japanese invasion, but none the less, the depression is world wide and every country in varying degrees is affected.

"Since the economic depression is not an isolated phenomenon, it is obvious that individual action by different countries could not prove very effective. It is the realisation of this fact that is inspiring the different countries to hold discussions at Washington, and a later formal conference at London. Likewise our own economic difficulties could not be solved by ourselves alone, and it is the appreciation of this that prompted the Government to respond to the invitation of President Roosevelt.

"I believe that at Washington and London the responsible statesmen of the world will endeavor to pool their knowledge in order to overcome the common difficulties. China goes there as a unit in the community of nations, and she has her own particular contributions to offer in the shape of the world's largest potential market.

"In so cordially tendering me this appointment, I take it that the people of the country, through their representative organisations, share in the Government's belief that it is only by associating our efforts with the rest of the world that we could solve our common difficulties."

what along the lines followed by Secretary of State Hughes at the Washington Arms Conference in 1921-1922. "Save for the naval question, in other respects, there are similarities between the coming parley and the previous Washington Conference. The *Osaka Mainchi* also published a pessimistic despatch from its correspondent in Paris, stating that the decision of President Roosevelt to invite the various nations to send delegates to Washington, prior to the meeting of the World Economic Conference in London, was a direct outcome of the activities of Norman Davis the American Ambassador at Large in Europe. The Japanese correspondent forecasted failure for the Washington attempt because while America considers that disarmament and abolition of tariff walls are a prerequisite for world recovery from the economic stagnation, France and Britain on the other hand maintain that rehabilitation of the world from the present depression cannot be realized unless the war debt issue is settled for good...in other words, complete cancellation of the war debts. But while some Americans hope that in exchange for debt cancellation, the tariff walls will be reduced, it is obvious that neither the British nor the French will consent to a drastic reduction of their own tariffs as they have their own industries to consider. Concluding the correspondent claimed that leaders in both Paris and London were of opinion that "no golden eggs will be laid in Washington," and that the real propelling motive for the Conference was the knowledge in America that European debt payments totalling more than G.$144,000,000 due on June 15 were in danger of default.

That the Japanese Government will make a desperate effort to obtain nominal consent to her program in the Far East at the forthcoming Washington conversations, has received further emphasis in inspired despatches through the official *Rengo* service in recent days. A despatch through this service from Tokyo on April 16 declared that Japan will take advantage of Viscount Ishii's presence in Washington to bring about a thorough understanding between Japan and the United States on Far Eastern problems. Japan will strive to impress Japan's viewpoint with respect to Far Eastern issues upon the American Government, stated the despatch. Another message through the same agency on April 17 quoted Count Uchida as declaring, "I am strongly of the belief that a concerted and untiring effort of Japan to bring about a thorough understanding among the Powers of Japan's point of view.... will eventually cause even China to gradually realize the real principles of Japan and thus bring about permament peace in the Orient."

The Chinese newspapers, while unanimously voicing approval of the Government's choice of T. V. Soong as China's chief delegate, nevertheless are apprehensive of any beneficial results for China coming from the Washington meeting. The *Shun Pao* in a length editorial discussion of the Conference on April 12 said that Far Eastern issues certainly will be discussed and the outcome may be a decision on the part of the Powers to divide the spoils among themselves. They will pretend to stand for justice, but will keep silent on the real issues and each will enjoy the share it receives.....The capitalist Powers are planning to consolidate their positions in order to face the present economic crisis and they are trying to remove their internal differences at the expense of the weaker nations like China. The *Sin Wan Pao* on the other hand considered it significant that America had invited Poland to send delegates but had not invited Russia. Then after pointing out the present international complications existing among the various nations, suggested that China would have an excellent opportunity to air her grievances and possibly may discover some new way for a solution of the Sino-Japanese issue. The Conference is certain to have an important bearing on the future destiny of China, hence it is hoped Mr. Soong will exert his best efforts to present China's case before the world's foremost statesmen who will assemble in the American capital.

The Soviet authorities, according to despatches from Moscow, have expressed deep resentment at the failure of Russia to receive an invitation to the Washington or London meetings. A *Reuter* despatch from Moscow on April 13 quoted *Ga Industrialigtsu Un,* organ of Soviet heavy industry as declaring,

> "The choice of delegates shows that war debts are not intended as the only subject for discussion in Washington, as the world's economic problems and various political questions will also be dealt with.
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> "It is a noteworthy fact that the Soviet has not been invited to take part in the discussions. It is incomprehensible how world economic problems can be discussed without the Soviet. For example, how can one talk of an international wheat agreement without one of the world's most important exporters, or out-line the ways of extending international exchange without the participation of a country occupying a sixth part of the globe?
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> "This is more incomprehensible in the light of the fact that, while the capitalist world is sinking into an ever deepening morass, the Soviet has successfully completed its first Five-Year Plan, continually growing in the meanwhile and, therefore, gaining rising international importance.
>
> "The failure to invite Soviet delegates is either due to the fact that those behind the forthcoming Washington discussions do not look seriously upon them, or that their aims are such that they cannot be discussed in the presence of Soviet representatives.
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> "In these circumstances, it is quite natural that our reactions to the Washington discussions cannot be other than to be very much on the alert. Numerous attempts have already been made to solve the sore problems of the capitalist world at the expense of the Soviet. Past experience has given us sufficient reason to think that such an attempt will be made in this case. Soviet public opinion is right in saying: 'Without us, therefore against us.'"

Anti-Japanese Activities Continue in Hankow

Japanese telegrams from Hankow state that anti-Japanese terrorism is being perpetrated in various forms, under the systematic direction of the general headquarters of the union of various anti-Japanese organs. Assassinations and murders are the most drastic methods that are committed by the terrorists. Most of the victims have been the leading Chinese merchants of Hankow, who are reported to have had business connections with Japanese. On April 11, a Chinese cotton piece-goods merchant and a cow-hide merchant were shot down at pistol point. Chinese employees in Japanese business firms and residences are being constantly threatened to leave the Japanese employment with an alternative of severe punishments. The Japanese now have 11 gunboats stationed in the vicinity of Hankow and a considerable number of marines have been landed in the Japanese Concession.

Protest Against Japanese Yarn in Shanghai

In view of reports that a number of Chinese firms in Shanghai have continued to import cotton yarn from Japan, the Greater Shanghai Chamber of Commerce has addressed a communication to the local Cotton Yarn Guild calling upon the latter to prevent further importation and sale of Japanese cotton yarn by its member firms.

THE APPROACHING SHOWDOWN ON THE C. E. R. MATTER

IN view of the fact that on April 15 an *Izvestia* correspondent at Chita reported that he understood the Manchukuo authorities intend to seize the Chinese Eastern Railway, it may fairly be assumed that it is another of those cases where shadows indicate forthcoming events. In the meantime there have been various hints that there were negotiations to have Manchukuo "buy" the Russian interest in the line, and also that the Russians had promised to return the many locomotives and railway cars that they have at various times removed to Soviet territory and have held on to ever since. The Russians contend that the locomotives and cars are their property, giving as the explanation for this claim various incidents during war years, specifically that documents dated at the time of the inter-allied intervention in 1918-19 showed that the locomotives were Russian property. But, reading between the lines, there is to be seen another reason why the Russian are holding on to the locomotives and railway cars. A telegram several days ago intimated that the Soviets were willing to sell their share in the railway for Yen 100,000,000 (gold or paper not stated).

The time has come for a showdown on this Chinese Eastern Railway matter, and no one knows that better than the Soviet Government. It has come to the point where the Soviet will have to fight to retain their share in the railway or to get out with as much grace as possible. The problem before the Russians is quite a different one than it was in 1929, when the then Manchurian government attempted to seize the line. The Russians then began to bomb various stations on the western section of the railway and soon had the Manchurian officials and troops cowed. There is no evidence whatever that the Soviets intend to try the same tactics with the Japanese standing in the same position that the then Chinese-Manchurian government did four years ago. At that time there was still some hope of making the railway pay, but with the Japanese in military possession of the line and able to discriminate against it and throttle its operations in every direction, the Russians are now in a position where they are not able, and have no chance in the future, of making the railway pay. Of all the inconsistent things that the Soviets have done, their attitude towards the Chinese Eastern Railway has been the most glaring. After declaring to the world that they intended to renounce all imperialistic ventures promoted by the Czarist government they have so far insisted on holding on to the Chinese Eastern railway, which was an imperialistic venture of an outstanding character.

Recent Japanese activities in Manchuria have undoubtedly been directed with the object of doing all the harm possible to the Chinese Eastern railway, and there is every evidence that the many so-called bandits raids on the railway are instigated by the Japanese. The general Japanese policy in this respect was made the subject of a protest by M. Karakhan, Soviet Vice-Commissar for Foreign Affairs, on April 16.

M. Karakhan said the Soviet Government is especially alarmed by the latest events in Manchuria, when, at the direct order and with the participation of Japanese officials in the Manchukuo administration, the police authorities carried out a series of arbitrary actions with the object of undermining the normal working of the railway and causing serious damage to the interests of the Soviets. These actions, he said, consisted in disconnecting the tracks between the C. E. R. and the Transbaikal Railway, violation of the Soviet right of transit along the lines of the C.E.R., obstruction of traffic between Europe and Asia, and seizure of Soviet goods in transit, and much more to the same effect.

The question which the Soviets will undoubtedly have to answer in the very near future is: Is the retention of this non-productive imperialist inheritance of the Czarist government worth fighting for? It is quite evident that the Soviet answer will be in the negative. The problem then arises as to what course the Soviets can pursue with the best chances of being at least partially successful. The obvious answer is that if the Manchukuo (Japanese) government intends to take (or "buy") the Russian share of the line, the Russians intend to hold on to those locomotives and railway cars so as to put them in the best position either to bargain or to set-off. If in the end the Japanese should seize the railway, the Russians will be in a position to take a line something like this: "Very well, we'll keep the locomotives and cars, and you keep the tracks and the right of way, and we'll call it quits." Or, if it really comes to the point of the formality being gone through of the Japanese "purchasing" the Russian interest, the Russians might be induced to hand back the locomotives and cars for a certain amount of cash—which, from the present indications, they are desperately in need of. There is no present prospect that the Soviets intend to go to war to maintain their interest in the line, nor is there much prospect that the Japanese would enter Soviet territory with a view of seizing the locomotives and cars.

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It would thus seem that there is little prospect of any armed conflict between Soviet Russia and Imperial Japan within the near future, and in many respects this is a situation that is to be regretted, cruel as such a statement may appear. Soviet Russia and Imperial Japan represent the two extremes of governmental systems. Japan is the last stronghold of the divine right of kings and as such is a menace to the democracy of the world. Soviet Russia, although ostensibly animated by a system of government which has the well-being of the masses at heart, is in the control of ruthless masters who suppress individual liberty and the right of free speech even more strongly than is the case in Japan. However idealistic the aims of the Soviet leaders may be they are going about the task of accomplishing a good object—if it is a good one—in the wrong way. In the last analysis in both countries, woe be to the recalcitrant subject who puts his will against the prevailing system—and this is equally true in Japan for the man who fails to bow his knee before the myth of the divinity of the Mikado or in Russia for the man who rebels against the idea of having his thoughts and his property controlled by the mob, for he will be lucky if he is not imprisoned for years, and there are indeed good chances of his being shot, either legally or stealthily, either by the police or with their connivance. The inevitable result of a war

between the two countries would be a revolt against the existing system in both countries, and that would be a benefit to mankind in general. So long as Imperial Japan keeps on a rampage, unchecked either from within or without, it will mean that the rest of the world will perforce arm itself to the teeth. And, so long as Russia continues to force communism down the throats of its populace by a reign of terrorism, there will be no peace in the minds of people anywhere throughout the world—and this is not meant as a condemnation of communism as such, but simply as a protest against the way it is being applied. Incidentally, it may be stated that although the story several years ago that in Soviet Russia even the women were held in common was proved to be untrue, it was nevertheless typical of conditions.

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A few words of back history will make the situation more clear to many a reader abroad to whom the C. E. R. is merely another streak of rust in a far-off country. When the Czarist Government back in the '90s conceived the idea of building the trans-Siberian railway to bring the far-flung ice-free port of Vladivostock into closer connection with the Russian capital, it found that the straight line east of Lake Baikal was blocked by the intervening wedge of Manchurian territory. The Czarist Ministers therefore conceived the idea of entering into an agreement with the Chinese Government to build the line across Manchuria, thereby shortening the line by 400 miles and according to the terms of agreements entered into in 1896 when Li Hung-chang visited the Russian capital, Russia was given the privilege of constructing this line, the financing being done through the Russo-Chinese Bank. Although ostensibly a joint enterprise, the Czarist Government from the beginning constructed and managed the line to suit themselves. The Boxer troubles of 1900 delayed the construction, and the commercial development of the line—a branch line having in the meantime been built connecting Harbin and Port Arthur—was interrupted by the outbreak of the Russo-Japanese War in 1904. As a result of that war the line south of Changchun was handed over to the Japanese. It was stipulated in the original agreement that the line should revert to China after 80 years. Various lumber and coal concession went with the railway agreement and subsequent agreements granted the Russians various judicial and administrative rights, particularly in Harbin. These agreements were recognized by every country except the United States. As the result of the Great War, Russian prestige very much declined, and in 1920 the administration of the concession zone in Harbin was turned over to the Chinese, an agreement in that year providing for the "Bureau of Municipal Affairs in the Special Area of the Eastern Provinces" (the Concession Zone of the Chinese Eastern Railway.) In 1924 the Railway was *de facto* placed under mixed Russian and Chinese management in accordance with the terms of an agreement signed between the Soviets and China. Disputes over control between the Soviets and the Chinese culminated four year ago in an attempt of the Chinese-Manchurian government to seize control. This attempt was ruthlessly repelled by the Soviets, as above recorded. Had they at that time shown a rather less bellicose attitude they would probably not find themselves in the humiliating position that they are to-day.

JAPANESE GOVERNMENT'S HUGE BONDED INDEBTEDNESS

AN official announcement was made in Tokyo April 20 by the Japanese Ministry of Finance that Japan's national debt as of March 31 total Yen 7,054,195,000, this being an increase of Yen 860,000,000 over that of March 31, 1932. Yen 5,663,753,000 out of the above amount represents foreign loans, while the rest consists of domestic debt. The domestic loan included Yen 100,000,000 of Finance Office bonds and Yen 220,364,000 grain bonds, it was announced. Nothing could better demonstrate the heavy load the Japanese taxpayers have to carry than the above official figures, and there is every prospect that the debt will reach ten billion yen in the not distant future.

Practically the only industries in Japan that are prosperous are those connected with munitions and military supplies. An article in the *Japan Advertiser* April 8 stated that as the item, "extra military and naval expenses" included in the 1933-34 budget totalled Yen 409,000,000, companies making munitions and war supplies are looking forward to another prosperous year. The Army has obtained Yen 109,000,000 for improving its equipment; the Navy Yen 99,000,000. In addition, Yen 200,000,000 has been set aside for the expenses of the forces in Manchuria and an equal amount for provincial relief. Manufacturing facilities for aircraft, automobiles, rifles, ammunition and other military supplies have grown remarkably since the Mukden incident. Naval arsenals in Japan are to be expanded this year. The number of workmen at the Kure Naval Arsenal has been increased recently. Private plants such as Nakajima, Mitsubishi, Kawanishi and Ishikawajima (all making aircraft) have expanded equipment. Reserves of milling, grinding, drilling and turning machinery have fallen sharply and demand is increasing daily. The Niigata Iron Works recently booked many orders for lathes.

The Navy, it is reported, finds that it will be difficult to obtain large units from home makers as quickly as necessary and accordingly has decided to buy abroad despite the higher prices. The Ministry is reported to have instructed the Mitsui and Mitsubishi companies to submit price estimates. These details will give some idea of how the war spirit dominates Japanese officialdom.

Ordinary lines of business are at a low ebb, The Japanese face not only the abrogation of the Sino-Japanese conventional tariff but also the denunciation of the commercial treaty with India. The fact that China has decided that all goods imported into the country must be marked in Chinese with the name of the country of origin after the end of this year is considered by the Japanese as being directed chiefly against them. It will make the boycott of Japanese goods easier. In the past, Japanese manufacturers have been able to sell in Shanghai and other ports to a certain extent despite the boycott, simply by failing

to label goods shipped to China or placing false labels upon them.

The foreign trade of Japan for March was unsatisfactory by Yen 41,159,000, the exports and imports amounting to Yen 144,974,000 and Yen 186,133,000, respectively. Compared with March last year, the exports increased by 43.5% and the imports also by 1.7%, while the total trade value was larger by 23.7%. The unfavorable balance of last year was Yen 65,551,000.

The figures for first three months of the current year showed that imports amounted to Yen 541,284,000 as against Yen 410,781,000 for the same period last year. Exports totalled Yen 371,310,000 as compared with Yen 251,733,000 in the same quarter in 1932, showing an adverse balance of Yen 169,974,000 as against Yen 159,048,000 for the corresponding period last year.

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The financial situation in Japan was reviewed soberly by Governor Hijikata of the Bank of Japan at the annual meeting of the Trust Society of Osaka. Among other things, he said:

> "The decline of exchange rates since last year has resulted in higher prices, promotion of export trade and a turn for the better in Japanese business and industry. On the other hand, the financial recovery of the world has progressed very slowly and no signs of higher prices have been observed so far. Prices in Japan, which had been following an upward course since June of last year have begun to decline since February. Call rates, which never fell below 1 sen per Yen 100 per day during the first half of 1932, weakened in the latter half and the prevailing rate for the best borrowers now is 0.6 sen. Reckless currency inflation without regard to actual demand for funds from business and industry would have bad effects on finance. The Bank of Japan is on the alert to regulate currency circulation but it will be impossible for the Central Bank alone to remove all the attendant evils. We sincerely hope that the bankers will help us."

The financial problems continue to bear heavily on the coalition Saito Cabinet, the one who particularly has to bear the brunt being the Finance Minister, Mr. Takahashi. Telegrams from Tokyo almost daily hint that there must eventually come a Cabinet crash, although friends of the Saito Administration point out that the resignation of Mr. Takahashi need not necessarily result in the falling of the entire Cabinet. Writing in the *Japan Advertiser* April 12, Dr. S. Washio expressed the opinion that if Mr. Takahashi can be induced not to resign, the Cabinet can yet continue for some time. There are indications that the Japanese Army clique in Manchuria do not desire a Cabinet change at present and the War Minister is attempting to persuade Mr. Takahashi to stay. Since Premier Saito's return from his visit to Prince Saionji at the beginning of this month, the prediction of an early Cabinet change has grown irresistibly despite the Premier's statements to the contrary. Seiyukai members of the Cabinet are predicting a change in early May or earlier and the belief is spreading that the effort of the Premier to induce Mr. Takahashi, Finance Minister to stay has failed. He pleads impaired health as an excuse, but it is an open secret that he has given to Dr. Suzuki, the Seiyukai president, a personal pledge of early retirement in order to obtain the party's support for his budget.

The tense economic situation is having its reflex in an increase in crime and the number of suicides. Figures supplied by the Police Affairs Bureau of the Ministry of Home Affairs, show that a total of 1,181,705 cases of violation of law were recorded by the police in 1932, with an average yearly increase of approximately 120,000 cases during the previous few years. The number of manslaughter cases in 1930 was registered as 769; this in the subsequent year rose to 952. Illegal acts committed by sexual perverts in 1930 numbered 3,039, and this figure in the following year increased to 3,409.

Figures pertaining to suicides and attempted suicides from the Tokyo Metropolitan police area during 1932 reveal that, of a total of 2,357 cases there was an increase of 507 compared with the previous year.

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Manchukuo Volunteers Occupy Chinwangtao

Chinwangtao, the shipping point for the British-controlled Kailan mines, was "peacefully" occupied by Manchukuo Volunteers April 16, 5 a.m. by 50 of the "National Salvation Army" under General Li Chi chung.

Foreign reports describing the fall of Chinwangtao state that the attack on the Chinese positions began early morning April 15 when planes dropped hundreds of bombs in an area one to three miles north-west of Chinwangtao. Later, Manchukuo troops attacked with the assistance of Japanese artillery while Japanese planes spotted along various points.

British Marines Landed at Chinwangtao

British Marines were landed at Chinwangtao April 15 for the protection of the Kailan Coal Mine District.

The Chinese garrison evacuated Chinwangtao in the afternoon, leaving the town in control of the Chinese police. The Japanese commander of the Japanese military camp at Chinwangtao then put in Japanese guards at the railway station. Many refugees with goods streamed into the Kailan Mining Administration compounds April 16. The shipment of coal from Chinwangtao is temporarily suspended. Japanese military officials are stated to have established contact with officials of the Kailan Mining Association, as the result of which it is hoped that the export of coal can shortly be resumed.

Two hundred Chinese were killed in the vicinity of Chinwangtao, according to an official communique, which stated that, after pouring thousands of shells into the Chinese positions, the Japanese attacked with their infantry.

Chinese reports state that the Chinese troops in the Chinwangtao region were forced to withdraw when the enemy swooped down on them from three sides and that, as they retreated, they were subject to a devastating fire from both land and air, causing numerous casualties.

Japanese Capture Lengkow and Chienchangying

Equipped with field guns, tanks and armored cars, 2,000 units of the 16th Japanese Division under Lieut.-General Gamaboku reached Shihmenchai on the morning of April 13 and commenced attacking the Chinese positions at the Tang Ho (River) front. Fighting ensued at Anminchai between the opposing sides.

Both Lengkow and Chienchangying fell into Japanese hands April 11. Chinese telegram state that the Japanese attacking Lengkow totalled 20,000 and consisted of the Hattori and Nakamura Brigades and one Brigade of the 16th Japanese Division under Lieut.-General Gamaboku together with 7,000 Manchukuo units. They were further assisted by 30 airplanes, 50 field guns and a large number of tanks and armored cars.

Japanese planes again visited Shihhsia, ten miles south of Kupeikow, April 18 morning and dropped 60 bombs, killing several persons and wounding ten others.

A Chinese counter-attack launched early morning April 13 with General Shang Chen personally in command of the operations at the front resulted in the capture of Chienan after several hours of desperate fighting.

With their capture of Lengkow, the Japanese have transferred their main forces to the Luantung Area with the evident aim of invading Peiping and Tientsin (particularly the latter) by way of the Peiping-Shanhaikwan highway. Japanese airplanes bombarded Anminchai.

The Drive Towards Tientsin

Under the protection of tanks and armored cars, 1,000 Japanese assailed the Chinese defence line at Chienlingkow on the night April 2. The Chinese were forced to abandon Chienlingkow and concentrate at Lulung. On the Kupeikow front, the Japanese troops moved westwards, leaving 1,500 men to defend the pass.

Reports from Tokyo that Japanese authorities had admitted plans to clear away "provocative" Chinese troops inside the Great Wall were confirmed during the week by a spokesman at the Japanese Consulate General in Shanghai who indicated that present Japanese military plans involve the clearing of a space of approximately 10 kilometers south of the Wall.

A Japanese army spokesmen at Mukden declared that the present military operations between the Luan River and the Great Wall are being undertaken with the sole object of destroying bases which the Chinese have used for attacks on the Japanese positions along the Great Wall. These spokesmen declared that if attacks are restarted from new bases those will have to be destroyed also. The Japanese army admitted that they found the initial Chinese resistance very stiff.

Japanese airplanes April 18 morning appeared over Tungchow, twelve miles east of Peiping and dropped three bombs, which fell outside the town. An official communique reports that 60 bombs were dropped on Shih-shia, a few miles inside Kupeikow the previous day. Other Japanese airplanes, the communique states, have been flying over Miyunhsien dropping leaflets, which read: "The Chinese and Japanese peoples both belong to the yellow race. The Chinese people have been enslaved by the white races and the Japanese troops have come to free them from the oppression of the whites."

Changli, one station west of Peitaiho, was occupied by Manchukuo troops April 17. All the foreign residents there, consisting of three men, ten women and six children, all of them American came through the trouble safely.

Nantassu, east of Peitaiho, where the summer camp of the United States Marines and troops in North China is situated, is reported to have suffered heavily in the recent fighting. Buildings which the Japanese artillery did not touch were levelled by bombers. However, the American camp, which is only occupied from June to September, was not touched and suffered no damage.

Major Tu Kuo-pang, a battalion commander attached to the 29th Army under General Sung Che-yuan, who was conveyed to Peiping end of last week for urgent treatment for head wounds sustained at the Hsifengkow front, succumbed at the Peiping Union Medical Hospital April 16.

Chinese Withdraw to Right Bank of Luanho

Except for a small body of cavalry, all Chinese troops withdrew to the right bank of the Luanho April 19. Japanese cavalry attempted to cross the river at a point where the water was low, but were driven off by Chinese artillery and machine gun fire, according to official Chinese reports.

Will Ching Kai-shek Proceed North?

The following is the text of a Rengo telegram from Peiping April 19.

Rumors are persistent that in order to make good the recent general reverses suffered by the Chinese troops on the Great Wall line, the Chinese military authorities for some internal political reasons may resort to another general offensive in the near future.

General Ho Ying-chin, feeling the necessity of personal consulation with General Chiang Kai-shek has requested the latter to come to the north immediately, to which request General Chiang is said to have consented. It is said that General Chiang Kai-shek may come as far north as Paoting, where he will receive General Ho Ying-chin and others in for a consultation.

Feng Yu-hsiang Urged to Lead Troops

Taking him at his oft-repeated word, over sixty civic organizations in Shanghai on April 15 jointly despatched a telegram to General Feng Yu-hsiang, at Kalgan, urging him to lead troops to resist the Japanese. The messages declared that if it were really the intention of General Feng to proceed to the front, he should immediately lead troops to fight the invaders.

Chinese reports from Kalgan state that Marshal Feng Yu-hsiang will not go to Nanking as invited, but "would rather die in Kalgan than leave." The Central Political Council at Nanking wired Feng on April 13 urging him to come to the capital immediately to participate in political affairs.

General Ho Ying-chin Retires to Make a Better Leap

A Japanese telegram from Shanhaikwan, April 16, stated that General Ho Ying-chin, the highest military commander in North China, April 15 ordered the first line on the Peitaiho front to beat a general retreat as far back as Changli preparatory to a forthcoming final general attack against the Japanese and Manchukuo forces at Taitaoying and Kienchangying, in order to recapture the line along the Great Wall at one dash. It is generally expected the Japanese telegram continued, that in the reported forthcoming general attack, the Chinese will put up a desperate battle on the Japanese and the fighting will be of the most furious nature ever experienced.

Chinese Troops Retreat From Haiyangchen

Their route of retreat being threatened following their defeat in the Chienan sector, the Chinese troops at Liyuanshuang, Haiyangchen and other advance posts began to retreat April 15 in confusion to the west of Luan river. Several military trains were prepared at Peitaiho to transport the evacuated troops. Chinese civil officials in the region east of the Luan River evacuated, the town of Luanchow being congested with these evacuated officials and their families.

Chiang Kai-shek Continues Bandit Suppression

Speaking at military conference of the various generals representing Honan, Hupeh, Anhwei, Shensi, Kansu, Kiangsu, Chekiang and Kiangsi recently General Chiang Kai-shek, President of the Military Affairs Commission, instructed the various commanders to enforce strict discipline and rigid training among their troops. The directors of the various provincial peace preservation bureaus were also enjoined to hasten the training of the military units and the institution of the "Pao Chia" (Mutual Guarantee) system so that the people may defend themselves from bandit attacks.

That General Chiang Kai-shek has not wavered in his determination to resist the Japanese was categorically declared by a spokesman of the Military Affairs Commission at a press interview at Nanking, April 13.

The spokesman pointed out that in the course of an address recently made at Nanchang, General Chiang forbade the various commanders now engaged in bandit-suppression to talk about resistance against the Japanese until complete eradication of the Communist banditry had been accomplished. That admonition, the spokesman said, applied only to those who had already been entrusted with the task of bandit-suppression and was intended primarily to focus their attention on their specific job.

The spokesman further pointed out that, in endeavoring to bring about the early completion of the bandit-suppression campaign, General Chiang was animated solely by the desire to free the Government from domestic preoccupations and thus render it possible for the resources of the entire nation to be concentrated and mobilized for resistance against Japan. He said that General Chiang had not wavered in his determination to resist the alien invaders and that there was absolutely no ground for misapprehension.

By an order of General Chiang Kai-shek, General Chen Chen, Commander of the Communist Suppression army in Kiangsi, who failed to hold back the Communists last month, has been demoted, while General Lo Tso-yin, a divisional commander, has been dismissed from office.

General Liu Shih, Chairman of the Honan Provincial Government, conferred with General Chiang Kai-shek at Nanchang April 14. He has been appointed Commander of the Communist suppression army at Fuchow, to which point he has in the meantime proceeded.

The Southwestern Authorities will throw their resources into the anti-Red Campaign in Kiangsi, in compliance with the request of General Chiang Kai-shek President of the Military Affairs Commission, according to a decision reached following a series of conferences between General Tsai Ting-kai and the Kwangtung, authorities last week.

Sinkan, about 80 miles south-west of Nanchang, was recaptured April 13 by the 26th Route Army under General Sun Lien-chung and the 36th Independent Brigade under Major-General Tai Yo with the asssistance of two gunboats.

How the Szechuen Populace Is Mulcted

Contrary to all official peports about victories over the Communists in northern Szechuen, a recent message from Chungking quotes a Chinese paper there as stating that people in the northern Szechuen are suffering both from the oppression of the Communists and the high taxation of the Szechuen provincial authorities. Recently the land-tax for the 46th year of the Republic (this is the 22nd year) was collected. There are only 28 districts in northern Szechuen and, from these poor districts, General Tien Sung-yao has ordered that a $5,000,000 "special anti-Communist tax" be raised. The inhabitants of the districts in question have sent their representatives to see Generel Tien Sung-yao to urge him to exempt them from the new tax, but so far without result.

Grave Situation Develops in Sinkiang

Deep hatred between the Chinese and Mohammedans in Sinkiang has greatly developed according to a recent arrival from that region. About nine-tenths of the population in Sinkiang are Mohammedans, and it is alleged that for many years they have been subjected to tyrannical oppression by the Chinese authorities. Last year, as the Mohammedans could stand the ill-treatment no longer, they rose up and started a rebellion. This went on for more than a year, with the authorities making no attempt to effect a solution. Recently, the Mohammedans have occupied several cities in Sinkiang and the situation has assumed a grave aspect. The Mohammedans are treating White Russians as hostile because they are helping the Chinese. Tihua is now placed under heavy military protection and guns are always ready for immediate action, but the Chinese continue to feel extremely uneasy in view of the critical situation.

Recently a detachment of Chinese troops were surrounded by the Mohammedans at a point about forty li from Tihua. It is understood this detachment suffered heavy losses in the fighting which followed.

For years past, according to an informant in the Shanghai Chinese newspaper *Morning Post*, the provincial authorities have not sent a single report to the Government reporting on the serious situation in Sinkiang, although the relations between the Chinese and Mohammedans there have been tense for many years.

A recent telegram from the Mohammedans in Sinkiang urged the Central authorities to severely punish General Chin Shu-jen and entrust Ma Shao-wu with the institution of rehabilitation measures for the province.

Civil War in Kweichow Continues

Desperate fighting is reported in western Kweichow between the troops under General Wang Chia-lieh, the provincial chairman, and General Yu Kuo-tsai. The troops under General Yu are reported to have already captured Hsinjen while the Yunnanese troops which are co-operating with General Yu have captured Panhsien and are now making a joint attack on Hsinjen.

Fighting Breaks Out in Chinhai—The Rival Lamas

A report that the Panchan Lama would soon return to Tibet under the protection of the Chinhai troops has caused a breakdown of the peace negotiations between Chinhai and the Dalai Lama. The Dalai Lama was much annoyed by the report and ordered the peace negotiations to be suspended immediately. At the same time he decided to take military action against Chinhai so as to prevent the Panchan Lama from returning to Tibet from that direction. The latest reports are to the effect that fighting has already broken out in the vicinity of Chinko Monastery. The Tibeten troops are stated to be concentrated at Changtu and the Chinhai forces at Yushu.

Chekiang Silk Farmers Oppose Silkworm Reforms

Several riots of farmers in Yuhang district, west of Hangchow occurred April 8 and on later dates when thousands of them attacked the local office of the Sericultural Bureau and set fire to the experimental station as a protest against proposed reforms. As a result, the Chekiang Provincial Authorities have acceded to the popular appeal to suspend the enforcement of all proposed reforms regarding silkworm species, as had been proposed by Provincial Department of Reconstruction.

Eugene Chen Urges U. S. to Boycott Japan

Early settlement of the Sino-Japanese conflict except by surrender of China is possible only through the assistance of the United States in the opinion of Eugene Chen, Foreign Minister of the Canton and Wuhan governments in 1926-27, and Foreign Minister of the Nanking government for a brief period more than a year ago.

Addressing the American University Club at tiffin in Shanghai April 18, Mr. Chen said that China has the treaty-right through the Nine Power Treaty and the Kellogg Pact to call upon the American government to take action against Japan, such action being, however, economic rather than military.

"I hold also," said Mr. Chen, "that, precisely as the Japanese general staff planned and prepared for the first 'decisive war' with China in 1894-5 and for the second 'decisive war' with Tsarist Russia in 1904-5, so the same Japanese general staff have planned and are preparing for the third 'decisive war' with America. And the most impressive indication of this war-preparation is the campaign now in progress for the subjugation of China.

"I grant that all this might have sounded fantastic if some political Cassandra had delivered herself in this sense on the eve of September 18, 1931, when Japan inaugurated her present war against China. But the realities are too stark and glaring for sober men to doubt the purpose of the determined men who rule Japan. For the present they have the power and they know the have the power to defy America and the rest of the civilized world as represented by the League of Nations . . . . .

"I do not argue—and I must not be understood as arguing—that America should necessarily go to war in order to assist China in her struggle with Japan. We are of course living in a world of realities; and as Japan is a powerfully armed nation of born fighters whose feudal ruling classes believe in aggressive war as an instrument of national policy, it may in certain conceivable circumstances be incumbent on America to deal with Japan as a policeman must perforce deal with an armed desperado.

"It is, however, permissible to point out that there are various measures not involving actual warfare which America can begin to take in pursuance of a policy looking towards the implementing of her obligations vis-a-vis China under the Nine-Power Treaty and the Kellogg Pact.

"It is said that the foreign trade of England is her life-blood. In precisely the same sense it may be said that Japan's foreign trade is beginning to be, if it is not already, her very life-blood. At any rate Japan would certainly cease to sustain herself as a Great Power if her foreign trade disappeared or was paralyzed to any considerable extent. It is a fact, a profoundly important fact, that more than three-fourths of Japan's 'life-blood'—her foreign trade—flow through channels in America, China and India. Deprive Japan of her trade with these three countries, or paralyze that trade for a time, and even the ruthless, unmoral men who are prostituting Japanese state-power to evil ends would be forced to pause and realize the ultimate and certain disaster lying in their state-craft of international brigandage.

"It is as an alternative to eventual war between Japan and America (which is inevitable unless efforts are made to avert it) that I urge the creation of an economic Triplice consisting of the United States, China and India, to enforce a united boycott on Japanese goods and thus to deprive the Japanese general staff of the means to finance their war of conquest in China."

Mr. Chen then pointed out that "a more opportune moment for China to approach America on the suggested Triplice and other relevant matters could not well be imagined, than the presept trip of T. V. Soong to Washington." In this connection, Mr Chen urged the first step should be severance of diplomatic relations between Nanking and Tokyo.

Pukow Train Ferry Arrives from England

The train ferry "Chang-Kiang" arrived in Shanghai during the week from England where it was constructed. It left England under its own steam on February 28. The ferry will sail up-river to Pukow where it will be moored for the present, pending construction of the wharves and bridges at Nanking which are expected to be completed sometime in July or August. Thereafter, the vessel will commence its work of ferrying the through trains of the Tientsin-Pukow and Nanking-Shanghai Railway systems across the Yangtsze.

Two Britons Sentenced by Soviet Court

The verdicts in the Moscow trial ended April 18 with a two years prison sentence for MacDonald and three years for Thornton. The Vickers manager, Monkhouse, and two others, were ordered expelled from Russia. One British accused, Gregory, was acquitted. The highest sentence on the Russians involved was ten years. The British will appeal.

The trial of the six English employees of Metro-Vickers on charges of sabotage and espionage commenced in Moscow April 12. The trial revolves around the causes for repeated breakdowns in electrical plants erected by Metro-Vickers. The indictments charge that these breakdowns were due to "criminal counter revolutionaries," whose actions are alleged to have been influenced by the British engineers.

The proceedings were full of sensations. The two principal accused, William H. MacDonald and W. Thornton, not only contradicted their own statements but each other. MacDonald at first formally pleaded guilty, saying "I want to say that I did it all for my personal interests."

MacDonald created consternation by retracting his plea of guilty which he had made the previous day Later, after an adjournment, he more or less pleaded guilty again to all the charges brought against him. A further sensation was furnished when Thornton retracted his alleged confessions of spying which were contained in a deposition he signed at Lubyanka prison on March 13.

The alternate examination of MacDonald and Thornton continued, with MacDonald accepting almost all of the suggestions put to him by the Prosecutor, and Thornton strenuously denying them. Thornton declared that he had never received military information from MacDonald. He said that he had only had information of interest to the firm. He then said he wished to retract the word "secret" from the deposition he had signed in the Lubianka prison on March 13, in which he alleged that he and Monkhouse had collected secret information.

MacDonald, while denying that he had paid one Sokolov for information, admitted that he had paid one Gusev and others 2,500 roubles for overtime, partly from the firm's funds and partly from his own pocket.

The main issue before the court when the proceedings resumed April 14 was whether a sum of 3,000 roubles given to a Russian engineer by the name of Dolgoff by Thornton was a loan or a bribe. Dolgoff declared that he had regarded the money as a corrupt payment and had handed it over to the authorities. Thornton asserted that the money was a loan, but there was no receipt.

An attempt by the accused Thornton to retract the testimony given by him at the preliminary investigation on the ground that he was in "a state of fatigue" when he signed his statements, and the testimony of the woman in the case, Kutuzova, secretary of the Moscow branch of Metro-Vickers, featured one of the evening sessions. Kutuzova confirmed her former depositions alleging that the employment of Russian engineers and technicians, to engage for payment in wrecking and espionage activities, formed part of the work of Monkhouse and Thornton in the Soviet Union. The witness named Russian engineers who had received money from Thornton.

Thornton denied Kutuzova's allegation. The prosecutor then read from the record of the preliminary investigation, showing that Thornton, when confronted with Kutuzova, had confirmed Kutuzova's allegations in toto. Thornton thereupon admitted that he had previously confirmed Kutuzova's allegations, when he had been confronted with her, but added: "It is a pity I signed the records."

Allan Monkhouse, Moscow representative of Metro-Vickers giving evidence April 15 declared that he had sought and received information for the periodical reports he rendered to his firm, information that was of interest to the firm, and that he had utilized every opportunity for gathering such information. Thornton and Cushny, he said, were among those who supplied him with information. He admitted that the machinery supplied by Metropolitan Vickers was defective, likewise the work carried out by Metro-Vickers in the Soviet Union. "The defects were serious," Monkhouse declared. "and damaging to the firm."

Counsel questioned Monkhouse as to the measures he took when defects in the machinery were reported to him. Monkhouse asserted that he immediately took all necessary steps to correct them. Counsel for Monkhouse on April 18 admitted his guilt.

England Prohibits Importation of Russian Goods

A proclamation prohibiting the importation of about 80 per cent of all imports from Russia, including butter, grain, raw cotton, petroleum and timber, was signed in London April 19, to come into effect April 26.

Emergency National Congress to Convene July 1

A total of 426 Party delegates will be elected by Party headquarters both within the country and abroad to attend the forthcoming Emergency National Congress of Party Delegates, to be convened on July 1, according to the law governing the election of delegates to the Congress adopted at the last meeting of the Standing Committee of the C.E.C.

The law provides that the system of double election shall be adopted in the election of these delegates.

Primary elections will be held by the District (*hsien*) and Municipal Party headquarters in the case of provinces; and by branch (*chu*) Party headquarters in the case of Special Municipalities under the direct jurisdiction of the Executive Yuan. Secondary elections will be held by the Provincial and Special Municipal Party Headquarters.

In the case of Overseas Party Headquarters, the law provides that branch Party headquarters shall hold the primary elections and the main Party headquarters in a foreign country or foreign colony shall hold the secondary elections.

Successful candidates in *primary* elections will elect the delegates to the Congress in the *secondary* elections. Candidates for the secondary elections—that is, the delegates—will not however be confined to the successful candidates of the primary elections, the law stipulates.

Candidates for the primary elections will be elected direct by the Party members in the various branch Party headquarters. It is further stipulated that both voters and candidates must be members of the Kuomintang holding Party certificates issued by the competent Party authorities.

The law also provides that those who have been expelled from the Party or suspended from Party membership as well as those who have been found guilty of utterances or conduct hostile to the Party will not be qualified as voters or eligible for election as delegates.

Constitution-Drafting Committee Discusses Form of Government

A number of general principles relating to the organization of the Central Government was decided upon at the 10th regular meeting of the Constitution-Drafting Committee of the Legislative Yuan held under the chairmanship of President Sun Fo at Nanking April 13. It is understood that the question whether the Presidential or the Cabinet system shall be adopted in the proposed Constitutional Government occasioned animated debate. In view of its far-reaching implications, the question was reserved for further discussion and study. The question as to how and by whom the President and Vice-President of the Republic shall be elected was also discussed, no decision being however reached.

Cantonese May Call Their Own "National" Congress

The Cantonese authorities have decided to adopt a strong attitude towards the Nanking Government with regard to the decision of the latter to convene an extraordinary national congress in July, a recent message from the southern port stated. It is understood that the Cantonese authorities have decided to call a national congress themselves at Canton at the same time as the Nanking conference. They have sent several delegates to Hongkong to sound Hu Han-min's opinion regarding the matter. In order to make sure that several provinces at least shall send representatives to the Canton conference, the C.E.C. members at Canton have sent representatives to Kweichow, Yunnan, Fukien and Kwangsi to sound the opinion of provincial authorities of those provinces. A representative has also been sent to Hunan to see General Ho Chien, Chairman of the Hunan Provincial Government.

Wang Ching-wei in an interview at Nanking April 18 strongly protested against the Cantonese attitude.

Roosevelt Opposes Inflation of Currency

President Roosevelt has put himself on record as being opposed to currency inflation, but nevertheless the possibilities of such a move in future are being referred to almost daily in the telegrams from the United States.

The House of Representatives April 13 passed a bill provided for a bond issue of two billion dollars. The inflationist bloc had offered an amendment proving for an inflation of the currency by eight billion dollars, accomplished partly by the purchase of silver, but the Speaker ruled it out of order.

The Senate rejected a proposal for the free coinage of silver at the ratio of 16 to 1, but this is not indicated to mean that the silver interests will be left without legislation, but merely that it is understood that in the meantime President Roosevelt will try to arrange an agreement with England for the stabilization of the pound-dollar rate.

The possibilities of eventual inflation are sufficiently strong to have the telegrams discuss such matters as, provided America refuses to pay out gold in exchange for paper and the rate should go below gold par, would it be "convenient" for the United States to insist on payments due them?—a matter which is of particular importance both to the Japanese Government and Japanese industrialists, especially the large Japanese power companies who owe huge sums in the United States.

Sentiment is becoming strong in the United States that the Roosevelt administration should definitely announce its monetary policy. The dollar began to drop in Europe last week and thereupon the ban on gold export was temporarily suspended.

America's Immigration Laws to Be Modified

Proposed legislation to modify the immigration laws and to prevent smuggling of aliens includes the admission of aged parents of American citizens. An arrangement will also be sought with Mexico, along whose border much smuggling of Chinese is occurring as a result of Mexican deportation activities.

Britain Denounces Japan-India Commercial Treaty

The British Government on April 13 denounced the India-Japan Commercial Treaty of 1904 which requires six months' notice. The Tokyo *Asahi* states that it cannot but deplore the gloom cast over the future relations of the two countries by the drastic measure taken by the Government of India, but it hopes that diplomatic negotiations in the coming six months will succeed in finding the best way out of the difficulties. Mr. Abe, the President of the Federation of Cotton Spinners Associations, in a press interview said that the denunciation of the Commercial Treaty by India will adversely affect the relations between India and Japan, both economically and politically. He suspects that Lancashire cotton interests are behind the decision of the Government of India.

Japanese Tighten Grip on Electrical Communication in Manchukuo

A communique announcing the signing of an agreement between Japan and Manchukuo regarding the establishment of a joint Japan-Manchukuo Electrical Communications Company was made public simultaneously in Tokyo and Changchun April 15. The required capital, it is stated, will be subscribed by the governments of the two countries, as well as by the general public. The text of the communique follows:

"A state's system of communication should be considered constituting its nerve system and the same can be said with even greater force of its electric communications, such as telegraphs, telephones, etc. It is closely bound up with the national defence and the maintenance of peace and order; it also plays an important role in the cultural and economic development of the country.

"As regards the means of electric communications in Manchuria, however, those in Kwantung Leased Territory and in the South Manchuria Railway Zone have hitherto been under the management of Japan, while those in the other regions of Manchukuo have been under that of Manchukuo itself.

"As a result, there have existed within one and the same area two distinct systems of this kind in rivalry with each other, leaving much to be desired in their coordinated functioning. There was also an inevitable duplication of capital investment and much unnecessary competition on both sides, seriously hampering the development of a well organized system of electric communication in Manchuria.

The Japanese and the Manchukuo Governments, therefore, recognizing the need of amalgamating the means of electric communications in Manchuria under a unified control, respectively authorized their representatives, namely, General Muto, Japanese Ambassador in Hsinking, and Mr. Hsieh, Manchukuo Minister for Foreign Affairs, to sign an agreement on the 26th of March, 1933.

"The purport of the agreement is to establish an electric communications company of Japan-Manchukuo, a joint concern, in which both governments are to subscribe to the capital of the projected company by contributing the means of electric communications belonging to them in the Kwantung Leased Territory and the South Manchuria Railway Zone and in the other regions of Manchukuo respectively, the remaining amount of the capital being subscribed by the public. The agreement is to be ratified by Japan and Manchukuo. Its text will be published after the exchange of the instruments of ratification."

Particulars of British Armament Exports to Far East

Details of British armament exports to the Far East were given recently in the House of Commons by Walter Runciman, President of the Board of Trade.

Mr. Runciman, in reply to questions, stated that: "Four hundred and ten licences for the exportation of war material were issued during 1932, of which 31 related to material destined for China and 41 for Japan. I will circulate in the official Report, a table which shows the quantity of the various descriptions of arms, ammunition and military and naval stores (except sporting arms, ammunitions) exported from the United Kingdom and registered during the year as 1932 as consigned to China and Japan respectively."

The following is the table of provisional figures:

Arms, Ammunition and Military and Naval Stores	Unit of quantity	Exports of United Kingdom manufacture consigned during the year 1932, to China (excluding Hongkong, Macao and leased territories,	Japan (including Taiwan and Japanese leased territories in China)
Ammunition:—			
Shot and shell	(No.	2,000	———
	(Cwt.	171	———
Metal cartridge cases, other than small arms ammunition —empty	(No.	———	19,000
	(Cwt.	———	115
Small arms ammunition—Military:—			
Loaded cartridges	(No.	7,735,000	5,361,450
	(Cwt.	3,532	2,703
Percussion caps	(Thousand	———	180
	(Cwt.	———	1
Fuses and blasting accessories	Cwt.	101	138
Propellant powders	Cwt.	196	———
High Explosives	Cwt.	2,788	4,909
Other explosives and ammuntion	£	1,463	40,239
Arms:—			
Guns, howitzers, mortars and parts thereof	(No.	———	10
	(Cwt.	———	56
Automatic machine and quick firing guns and parts thereof	(No.	61	740
	(Cwt.	104	644
Gun mountings and parts thereof	(No.	———	30
	(Cwt.	———	25
Small Arms:—			
Military rifles and carbines	(No.	202	———
	(Cwt.	17	———
Miniature and cadet rifles and carbines	(No.	20	———
	(Cwt.	———	———
Revolvers and pistols	(No.	580	———
	(Cwt.	11	———
Parts of small arms	Cwt.	———	1
Swords, cutlasses, bayonets and arms of other sorts not firearms	(No.	1	———
	(Cwt.	———	———
Military, Naval and Ordnance Stores and Appliances not elsewhere specified	(a)—£	7,978	11,160

(a) recorded by value only.

Real Estate Report of the Realty Investment Company

The weekly report of the Realty Investment Co. of Shanghai mentions that with the great increase of motoring roads now being constructed by the Chinese Government, many more opportunities are given for the building of bungalows and gardens. It is reported that a road is being constructed which will come out near Henli.

RECENT SALES

The following have been reported: Hungjao Road, a lot of 6 mow at Tls. 4,300 per mow. A small developed property in Rue Conty on 6 fun of land for $35,000.

RECENT OFFERINGS

2½ mow on Fraser Road near Hungjao Road Tls.3,700. per mow, Chinese title deed.

Great Western Road, 7 fun. Price: Tls.10,000 for the lot.

3 mow 3 fun on Tunsin Road. Price: Tls.12,500 per mow, Chinese title deed.

3½ mow on Columbia Road. Price: Tls.12,000 per mow, Chinese title deed.

1 mow lease land on Lucerne Road. Rental, $500 per annum.

The Japanese Invasion--- A Blessing in Disguise

BY KONG YU LEONG (江有良)

THE Invasion of Manchuria by the Japanese is undoubtedly a shock as fearful as that of the Great War, at least in the eyes of the Europeans who have tasted the gall which was injected by the Great War. There are not a few leading politicians and statesmen today who think the Invasion of Manchuria is another match that is likely to light the flame of another human conflagration. This fact, though not well founded or based, is a common fear of the world today. The irresoluteness, the fickleness and the dilatoriness of the League are the premonitions of a second Great War.

The Japanese Invasion, although it has created a world-wide crisis, is nevertheless "a blessing in disguise," for it has cultivated strength and power and a better realisation of foreigners towards China. Many of our brethren, nay, the foreigners too, will laugh and say that I am mad in making such a statement. This statement, absurd and controversial though it seems, is not unfounded. To prove it I would like to emphasize the following points:—

1. The Settlement of the Japanese under the name "South Manchurian Railway" is doubtless known to every Chinese, nay, every soul in the universe if I am not mistaken. The S.M.R. was nothing more than a semi-colony of the Japanese, and the manager had assumed an authority equivalent to that of a governor-general. Today the situation is different; Japan has adopted an "iron and blood" policy and made a "short cut" in conquering Manchuria.

Had she adopted a "soft-hand" policy, the atmosphere would have been different. Had she lived peacefully, sociably and lovingly with the Manchurians, developed her trading power, and at the same time intermarrying her people with the Manchurians, and helping the natives in their labor with her superior technique, she would eventually conquer Manchuria. To be brief she could have conquered the soul of the people. The "high-handed" policy is always dangerous as in the instance of the Koreans—which, has been abundantly proved. The spirit of a nation cannot be killed by "iron" or by "blood;" it may be killed in other ways. "The harder the pressure, the stronger the repulsion" this is the law of human psychology. This is what the Japanese have failed to see. It is, therefore, a blessing in the midst of misfortunes to us that she has not adopted a "soul-killing" policy.

2. A multi-millionaire may, at any moment, expect to find himself degraded to be an ordinary man, likewise a rich man may find himself a poor beggar, or vice versa. But does a beggar ever worry of being lower still? He may dream of a poorer meal or even none at all. Finally, every soul has to undergo, sooner or later, the doom of death. This, is the commonest and simplest rule of life. Likewise, China—"not the colony of one nation but of all, and not the slave of one nation but of all" as stated by our late President—may be compared to a beggar. China is the lowest in the standard of internationality. She can expect nothing lower than to perish or be exterminated or getting worse treatment from foreigners. Therefore, foreign oppressions are forcing China to struggle for a higher level among the nations. If she does not, her fate is doomed.

3. The Chinese have been described as a Nation of "five minutes heat and energy"—which is displayed when she is incited by foreign aggressions. This can be disproved in many instances: the anti-Japanese and anti-British movements of the Chinese during the past decade will definitely answer this statement. In spite of all these stimulating aggressions the spirit of the Chinese Nation has been greatly revived and awakened. The preservation of "heat" has been improved; leaders have realised more clearly the meaning of sacrifice and co-operation; and the public have come to a better understanding of the situation of the Motherland and what the Motherland really means to them. They loosened the strings of their purses more freely when called upon. But their spirit slowly declined; they were forgetting their vows. In short, China is a nation that needs constant stimulation, to be precise, she needs constant foreign aggressions and oppression. The more the aggression, the faster will she climb up the ladder which leads to the step of equality among the nations and prosperity. China was willing to remain on a lower step, but, because of the many "encouragements and persuasions" on the part of the foreigners, she is forced to climb higher and faster upward —and, thank Heaven, she is climbing!

Look at the Overseas Chinese whom our late President termed as "the mother of the Republic." They have neglected the infant state during the past years. Look again: the Invasion of the Japanese has reminded them of the weak infant state and their solemn duty as mother. They are cherishing the infant now, supporting and nursing her to a better strength and power. They are nourishing and will continue to nourish the infant, so that she may he able to resist the attack, the fatal disease that is eating her up and those that are to come. They cannot deny their maternal love, especially when the child is suffering. The Invasion of Manchuria is truly the strongest and bitterest of the stimulants that ever incited China, and doubtless she will be awakened, this time, for a longer period, nay, forever. She can never be sleepy again.

China has been termed "the sleeping lion," "the sick man of the Orient" and other such insults of a similar character. In truth, she has been more regarded "a weakling," "a sick man," and "an opium-smoker" than a "sleeping lion" in the eyes of the foreigners. They consider her a weak nation—a nation that is always submissive and cowardly; and she has acted like one. They consider China's power only sufficient to deal with Reds and bandits. But it is not true; China has at last convinced the foreigners that she is also capable to fight her invaders like a man. The Battle of Shanghai is a glimpse that shows the fighting spirit of old China, whose power, as recorded in History, has once extended to Europe, is still existing. She may fail to overcome Japan just now, but she is convincing the world that she is not quite a "non-fighting" country, though she may be peaceful enough to forgive aggressions and oppressions. The loss of Manchuria may be for a short time or even a long time, but with the Japanese stimulant inciting her, she will not lose it forever; nay, even more, that stimulant will stir her up and enable her to reach the top of the world.

Kuching, Sarawak, March 13, 1933.

Wall Street Writer Doubts Whether Higher Silver Would Help China

Writing in the *Wall Street Journal* recently, Thomas F. Woodlock said: "It sounds well to talk of increasing the purchasing power of Eastern nations—for example, China. But what would be the immediate effect upon China if the price of silver rose rapidly. Would not the immediate result of a violent rise in silver be a decline in the domestic prices in China of all commodities of "export" character—soya bean and oil for instance—followed by a gradual decline in prices of other commodities, and in due course by unemployment and reduced wages, together with a marked increase in the burden of all debts—just as has happened elsewhere? Would that be helpful to our trade with China?"

Two Foreign Experts Address Shanghai Labor Forum

A. J. Hughes, of the China United Assurance Company, and J. E. Baker, formerly advisor to the Ministry of Railways, read papers before the 14th session of the Shanghai Labor Forum held in Shanghai April 6. Mr. Hughes declared that it is only by economic progress and industrial development that the general standard of living in China, now one of the lowest in the world, can be raised. As an authority on transportation, Mr. Baker talked on the relationship between transportation and livelihood. He stressed the necessity of better highways and the improvement of China's waterways.

Tokyo Protests Against Anti-Japanese Agitation in Fukien

The Japanese Government during the week entered a protest with General Chiang Kwang-nai, Governor of Fukien, regarding the anti-Japanese agitation which, it is stated, "is assuming an alarming aspect throughout Fukien Province."

It is alleged that frequent cases have occurred in which policemen confiscate Japanese goods or punish severely Chinese merchants who deal in Japanese merchandise.

Liberalizing Political Rights

BY PAUL K. WHANG (汪仲芳)

AT the time of national crisis when the attention of the people has been occupied by the news of foreign invasion, the domestic political problems have naturally been relegated to the place of second importance. But the repeated reverses at the war fronts have inevitably dampened their spirit of patriotism, and intensified their wish to improve the present defective political system. While they have guarded themselves not to launch any movement calculating to overthrow completely the status quo at this juncture when any major change in the government may be easily turned into an advantage to their enemy, they have been quite insistent upon the introduction of some needy reforms. They have demanded in unequivocal terms that the political rights should be opened to every citizen irrespective of his party affiliation and the best talents of the country should be utilized so as to form a united front not only in name but in fact to cope with the present crisis. Thus amid the chorus of resistance-to-the-death, one has heard the ever-increasing cries against the political monopoly maintained by the present Kuomintang government.

Not long ago, a League was formed under the auspices of many intellectuals to propagate the idea of citizen's rights, including freedom of press, speech, and association. This movement, it must be said, constitutes a direct challenge to the government which has hitherto set up a strict censorship on the press, suppressed all criticisms levelled against the Kuomintang and its principles, and outlawed all the other political parties. While this movement has been gathering its force among the populace, many others who have been dissatisfied with the despotic rule of one single party have gone one step further by advocating the opening of political rights. Recently, Gen. Li Lieh-chun, an old guard of the Kuomintang, proposed to the Nanking government that recognition should be accorded to political parties other than the Kuomintang. According to Gen. Li, his proposal has been widely endorsed by other responsible party leaders, and the National Congress, which has been summoned to meet on July 1 next, may be convened earlier than the fixed date to consider this question.

Too Big a Risk for the Kuomintang

In advocating the liberalizing of political rights, Gen. Li, in a speech at the local Chinese Y. M. C. A. on April 8, said inter alia, "The Sino-Japanese dispute, the solution of which can not be expected in the immediate future, may drag on indefinitely for two or three decades, or even one hundred years. How can the Kuomintang alone take upon itself this heavy responsibility involving the life and death of our country? Even if all the members of the Kuomintang are wise and able, their number does not exceed 400,000, constituting only one thousandth of the whole population of this country. How can we justify ourselves by contending that there is no wise and able men outside of the Party? Thus we can well imagine the condition in which many of our best talents have been left to rot. If we want to make use of the best talents, we must first give our people political equality. This is a means to build up a solid foundation of our country and also to lead us out of the present crisis.

"Nominally China is a Republic, but in reality Chinese people have enjoyed no political rights. We are 'selling dog's meat under a sheep's head'. Dr. Sun laid equal stress on the Principle of Nationalism, that of Democracy, and that of Livelihood, and their respective objects are to elevate China to an equal position among the nations in international affairs, in government, and in economic life. Without liberty, the people can not enjoy equality in government, and how can they secure equality on international affairs and in economic life? From the standpoint of China's present international position and also of Dr. Sun's Three Principles, we should without delay give due recognition to political parties other than the Kuomintang."

The above quotations from Gen. Li's speech represent something which has long been the wish of the majority of our people, but they are not in as privileged a position as Gen. Li is in speaking out their minds without incurring the displeasure of the government authorities. It is especially gratifying that an old member of the Kuomintang should without hesitation openly recognize the realities of the situation by calling a spade a spade, and submit to the government a proposal in line with the wish of the majority of our people. Irrespective of whether his proposal will be acted upon in future, his sincerity and frankness deserve our commendation.

It has long been a cause of public dissatisfaction that liberty and equality, the two gods of revolution of which much capital has been made by the members of the Kuomintang, are nothing but a mockery. The people have been enjoined not to express their own ideas and thoughts contrary to the Party Principles which must be followed religiously and blindly. Any one who cares to utter mild criticisms of the Party Principles would be charged as a counter-revolutionary and have meted out to him capital punishment.

Since a principle is said to be an idea and a faith as acknowledged by Dr. Sun himself, it naturally follows that there must be some other ideas and faiths in the universe. As a matter of fact, human minds are as different as their faces, each having his own idea and his own faith. It is true that the members of the Kuomintang Party should observe religiously Dr. Sun's Principles, the acceptance of which, however, can not be forced upon the non-party members without infringing their personal freedom. Freedom of idea and faith is but a manifestation of pure democracy. There is nothing more ridiculous than to prohibit freedom of idea and faith among the people in order to achieve the aim of party dictatorship.

Liberty and Democracy

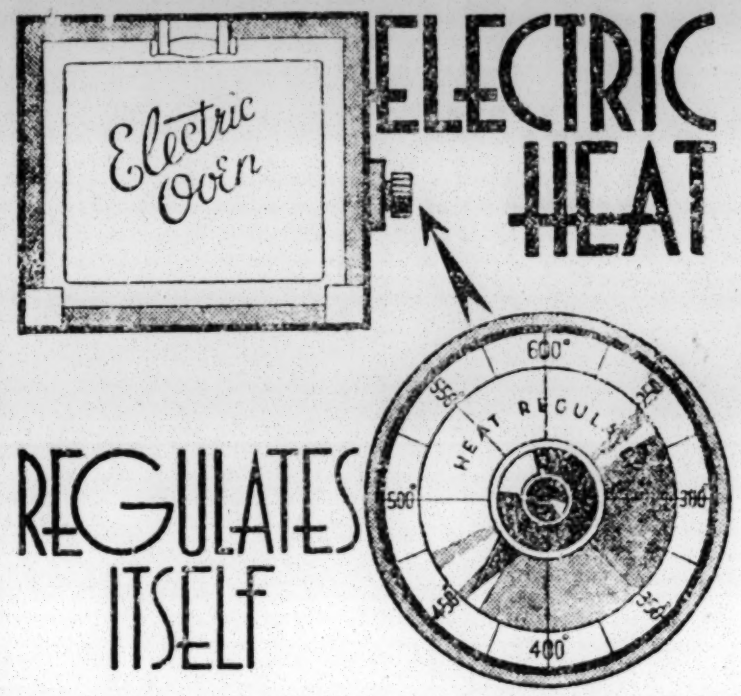
Moreover, liberty and democracy are closely related: The former acts as a guard of the latter, and the latter is the means of developing the former. Democracy, without liberty, loses its very meaning. Therefore the sine qua non to upholding democracy is to respect liberty. When the three most sacred and inviolable things—freedom of press, speech, and association—are even denied to the people, how can China justify herself as being under the banner of democracy?

While individual liberty has been thus restricted, equality has been also but an empty promise. During the first few years of the Kuomintang rule, the posts of the government were monopolized by the party members, and the political appointments were made not because of competence and qualifications of the candidates but because of party affliations. As a result, many green and ambitious youths who had not yet finished their elementary educations at school were trusted with tasks of great responsibility. These parvenus, under the aegis of the Party, seized every opportunity to enrich themselves at the expenses of the people. The notorious activity of the Tang-pu especially did much harm to the prestige of the Kuomintang, when many of its officers took the law into their own hands and indulged in perpetrating corruptions. Even as early as October, 1930, Gen. Chiang Kai-shek recognized this deplorable state of affairs by stating, "Not only is it impossible to find a single party Headquarters which administers to and works for the welfare of the people, but all are stigmatized for the most reprehensible practices, such as corruption, bribery and scrambling for power."

This anomalous situation gave rise to a group of opportunists, who in order to secure power and wealth changed their color as rapidly as a chameleon and sold their allegiance to the Party in power. Those who had their own principles and placed their personal honor above material considerations, refused to compromise themselves by associating with these seekers of political powers. Thus while the nonentity was shooting up in the air swiftly and brilliantly like a rocket, the best talents of the country were left to rot.

Although the government is more tolerant now than before, liberty and equality are still denied to the people. Much damage has already been done to the prestige and popularity of the Kuomintang, and unless it now accepts the wish of the people, it will meet greater opposition in the future. At this time of national crisis, the people should be given a perfect freedom to express themselves, so that the government can act according to the popular will; and the wise and able men should be invited to participate in the government affairs so as to help the government in working out a formula by which the present ship of state can be guided out of the stormy seas. Therefore Gen. Li's proposal should be acted upon without hesitation and delay, before it is too late to satisfy the legitimate wish of the people whose patience has already been taxed to the breaking point.

Shanghai, April 17, 1933.



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The Battle of Hsifengkow

BY C. Y. W. MENG (孟長沐)

JAPAN invaded Jehol with about 60,000 men and occupied Jehol in seven days and entered Changteh, the capital city of Jehol, with 128 men! The easy victory was not due to the superiority of Japanese men and military equipments, but rather due to the premeditated general retreat of the Chinese forces before the enemy came. At any rate, Japan has now cleared Jehol from "bandits;" has succeeded in incorporating Jehol to Manchukuo; and has made Manchukuo safe from the Chinese attacks through Jehol. The invaders are on the way to advance to Peiping, not with intention to occupy it forever, but rather to use such occupation as a means to extract some agreements or understandings from the National Government, apparently, among which would be the recognition of Manchukuo by Nanking, as a condition precedent for the withdrawal of the Japanese troops from the Chinese ancient capital. The Japanese militarists even said in advance that the Japanese forces could occupy all the strategical passes along the Great Wall within "three days." Such is the Japanese plan! But the Battle of Hsifengkow proves to be a "holding battle" to Japan! The following accounts about the battle are given by eye-witnesses, war writers, and other reliable sources.

29th Route Army Described

The 29th Route Army under the command of General Soong Chih-yuan, the defender of Hsifengkow, formerly belonged to the North-western Army, more popularly known as the "Kuominchun," (People's Army) under the training of General Feng Yu-hsiang, generally known as the "Christian General." The motto of this Army is "not to disturb the people, but to truly love them." Wherever the army goes, it takes up some constructive work, such as building of roads, etc. This Army is particularly skillful in night attacks.

Since September 18, 1931 (Japanese occupation of Manchuria), daily lectures have been given to the soldiers about Japanese imperialism and the Japanese invasion of Chinese territories—which serve to constantly remind them that the duties of the soldiers are to defend the territory of the country and to protect the people, and that the present moment is a good chance for the soldiers to render services to the country, etc. So, every soldier in the Kuominchun feels joyful when he is being ordered to go to the "front" to fight against the Japanese; and every one of them feels happy if he could kill as many of the enemy as possible.

Another visitor who just returned from the North told us that for 20 years General Feng Yu-hsiang has trained up no less than 20,000 men. "These well-trained soldiers and military officers all look upon the Japanese as their 'enemy,' whom some day later the Kuominchun would like to fight against," said one writer. So everybody in the Kuominchun, from soldiers up to officers, all remember well the notorious 21 demands and other national humiliations when China was humiliated by Japan. Every one of them is always anxious to have an opportunity to wipe out such national humiliations. In the Sino-Japanese undeclared war on the Jehol border the Kuominchun armies under the command of General Sun Ting-yin and General Soong Chih-yuan are the only armies who put up a stubborn resistance against the invasion, largely due to the inspiration which they received from their daily training.

The Kuominchun in going to Jehol was largely animiated by their own desire to fight with the Japanese. It is generally believed that neither the Nanking Government nor the then Marshal Chang Hsueh-liang had ever given orders to send the Kuominchun to Jehol. These troops moved to Jehol to fight, of their own volition, even without waiting first for the military funds which are usually given to an army on being ordered to go to another place.

29th Route Army Goes to Jehol

On January 20, the 29th Route Army was ordered to proceed to Jehol to participate in the defence of Jehol. When they reached the Jehol border, they were quite surprised to find that the then Marshal Chang Hsueh-liang, who was in charge of the military situation in North China, thinking that the Chinese army really was no match for the Japanese, had no intention to go to war with Japan; there was no definite plan of resistance; there were no troop movements to speak of in anticipation of resistance; there was no order as to where the 29th Route Army should concentrate, until Chaoyang, an important

place on the east of Jehol, was lost—then the 29th Route Army was ordered to defend Lenkow and Kwanchen.

On February 2, part of the enemy forces had already reached Lenkow. On Feb. 2 troops under General Wang Fu-ling, Marshal Chang's subordinate, were retreating southward in great disorder. Kwanchen was already lost, and the Japanese were advancing on Hsifengkow.

On Feb. 10, the 29th Route Army took up the defensive work of Hsifengkow. While soldiers of the 29th Route Army were going up to the north to defend Hsifengkow, soldiers of General Wang Fu-ling were running back, telling one another that the Japanese armored cars, tanks, etc., were coming. But this by no means discouraged the soldiers of the 29th Route Army! When troops under the command of Brigadier-General Chao Teng-yu (趙登禹) were rushed to Hsifengkow, they could see the enemy's armored cars and tanks; and in fact the enemy was already in occupation of the outer hill of Hsifengkow, and they were in a position to pour down bullets from high to low! Knowing that the Chinese forces were in a disadvantageous position, the soldiers of the 29th Route Army immediately scattered about. Attacking the enemy from the rear, the Chinese forces succeeded in repulsing the invaders, largely due to the fact that in mountainous places, the enemy could hardly move their armored cars, tanks, artillery, etc., so freely, while the Chinese soldiers could move very freely with hand-grenades and "big swords." This was the opening encounter between the Chinese and Japanese forces in Hsifengkow!

When General Soong Chih-yuan received the report that fighting had already broken out, he ordered reinforcements be sent to the front. Another brigade was sent, which marched about 140 li (one li is about 1/3 of a mile) a day! In this respect the Chinese soldiers are not in any way behind the Japanese forces from the standpoint of rigorous military training!

Chinese Stubbornly Resist

The invaders, having failed to dislodge the Chinese forces in the first encounter, received also fresh reenforcements, mostly belonging to the crashing division, generally known as the 8th Division of the Japanese Army. From Feb. 9 to 11, the invaders opened an offensive with full force and vigor but they were met by stubborn resistance from the Chinese forces. Each mountainous pass was lost and regained no less than 9 or 10 times! It is not necessary to add that the enemy must have employed all available means of attack from air and land. As one war-writer described, the Chinese were tactical enough to scatter about to avoid the Japanese heavy firing. But when darkness set in, when the aerial bombardments were impossible, the Chinese soldiers, with hand-grenades and "big swords" rushed to the Japanese positions to engage in a hand-to-hand fight with the enemy. As they rushed on, they cried as loud as they could "Sah" (kill). The sound was so lond and threatening, and the rattling of swords was so sharp, that the enemy was already disheartened and could not fight. When the battle assumed a hand-to-hand fight, all the Japanese modern military weapons, such as machine-guns, artillery, etc. were rendered useless. As another war writer who was with the attacking party told us, on one night about 1,000 Japanese soliders were beheaded by the Chinese swordsmen, while much of their ammunition and provisions was completely destroyed by the Chinese.

Another war-writer told us more in detail about the battle as follows:

Knowing that the enemy was coming to Hsifengkow with great rapidity, and that it was not possible for the Chinese defensive forces to meet them, the 29th Route Army changed its tactics and decided to attack the enemy in three directions, rather than to merely resist the attack. Brigadier-General Chao Teng-yu (趙登禹) was ordered to attack the enemy from the left flank from Pan Kai-Kow (潘家口). Brigadier General Tong Teh-kwan (汪澤光) was ordered to attack the enemy from right flank from Teh-Min-Kwan (鉄門関). Brigadier-General Wang Chih-peh (王治邦) was to attack the enemy from the center. These generals opened attack upon the Japanese forces simultaneously, thus enveloping the enemy. That was the 3rd day of fighting when the Japanese were very much exhausted. The Japanese forces were concentrated in the village north of Hsifengkow, never thinking that Chinese forces would be so brave as to attack them. But they were quite amazed to see that the Chinese soldiers actually came and attacked them with "big swords." As the Japanese were caught unprepared, the casualities on the Japanese side were very heavy.

Brigadier-General Tong on the right also advanced and captured Pei-Tai-Tze (白台子). Armored cars, tanks, and artillery were his booty. As it was moutainous country, movement of this booty was made difficult. One eye-witness told us that the Chinese started to destroy all of it. When the reenforcements came, the enemy combined with the fresh reinforcements, again put up another fight with the Chinese forces and this resulted in heavy casualties on both sides. Knowing that it was no longer possible to attack Hsifengkow, the invaders changed their tactics to attack Lo Wen Ku.羅文峪.

The Battle of Lo Wen Ku

Lo Wen Ku is about 100 li to the south-west of Hsifengkow. If the invaders were in occupation of the place, it would mean an envelopment of the Chinese forces, and the Chinese forces on the east of Hsifengkow would have to withdraw for strategic reasons. General Soong Chih-yuan knew the changing tactics of the enemy, so a famous division under the command of General Liu Yu-min (劉汝明) was despatched to defend Lo Wen Ku. Actually on Feb. 15 the enemy opened an attack on Lo Wen Ku with 3,000 men with artillery fire and aerial bombardments. It is a mountainou place where the famous Great Wall passes. It is a great pity to say that the firing was so heavy that many parts of the Great Wall were completely demolished. War is indeed destructive to civilization!

In some strategic passes along the Great Wall, the war was fought in the most severe manner ever recorded. Despite the heavy firing, the Chinese forces did not retreat; nor did they reply to the fire. At dawn Feb. 16, the enemy attacked the Chinese positions first with about 500 or 600 men. Finding that the Chinese were silent, more invaders were rushed to the Chinese line of defense. The Chinese were still silent. When the Japanese came as near as about 200 meters the Chinese soldiers in the trenches rushed out, first throwing hand-grenades at the enemy, and then rushing on to have another hand-to-hand fight to kill the enemy with "big swords"!

While the famous battle cry of the French defenders of Verdun was "Ils ne passeront pas," the battle cry for the defenders of Hsifengkow was: "Rush forward to behead the enemy." When a battle becomes a hand-to-hand fight, the Chinese certainly have many advantages over the invaders, and in that case, the "big swords" are more useful than the artillery, machine-guns, etc!

At the same time, another Brigadier General named Wang Ho Chung (王和春) attacked the Japanese position from the rear, and again inflicted another heavy casualty to the enemy, but we regret to say that this Chinese heroic general was killed in that battle.

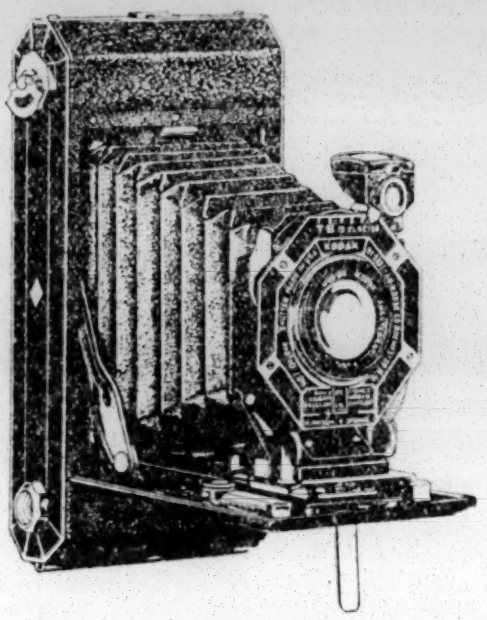
Having failed in two battles, the Japanese, in order to avoid the Chinese night attacks with "big swords," withdrew 20 li northward. But the Chinese launched an attack upon them for the purpose first to clear up Lo Wen Ku and Sen Chih Kow (山溝口) from the enemy, and to take back the following places: Tze-Mei-Hwa-Ku (茨梅花峪, Shui Chun Tze (水泉子), Ma Tung Kou (馬通溝), Sen Feng Kow (三峰口), K'uai Hwa Lin (快活林), Cheng Tze Ku (正子峪), etc.

After Feb. 19, the enemy changed its tactics again to attack Chien Lin Kow (界嶺口) and Lenkow (冷口). The Japanese advance to North China through various passes along the Great Wall was thus being checked at Hsifengkow. The Battle of Hsifengkow was indeed a "Holding Battle" to Japan in her invasion of North China!

Impressions of the Battle

The Battle of Hsifengkow gives us good impressions as well as bad impressions. This battle convinces us that bravery and determination to fight for the nation on the part of the generals count more in a battle than equipment, just contrary to what is believed by Marshal Chang Hsueh-liang. With such bravery and determination, the Chinese could put up a stubborn resistance against any invasion, despite the fact we do not possess the modern weapons. That the 19th and 5th Route Armies could hold up the Japanese invasion for 34 days in Shanghai and Woosung, and the 29th Route Army could check the rapid advance of the invasion are sufficient to prove the truth of this statement.

But the Battle of Hsifengkow gives us many bad impressions. It shows glaringly that the so-called Chinese resistance is not an "organized and systemetic" resistance, but only "individual and regional" resistance. That is, if it happens that the general in defense of one territory advocates resistance against the foreign invasion, he puts up a stubborn resistance, and he fights as long as



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resources at his disposal permit him. It is not a resistance offered by the united action of the people of the whole nation. When the Battle of Hsifengkow was going on, the Japanese had to stop the attack on Kupeikow (古北口) and transferred part of their troops there to fight against the Chinese forces in Hsifengkow. The question in our mind is this: Why the Chinese should allow the Japanese to do so? While the Chinese forces in Hsifengkow were engaged in bitter struggle with the Japanese, and the Japanese were almost completely routed out, why did not the Chinese forces in Kupeikow launch a similar attack upon the common enemy, so that the attention, resources and energy of the enemy would be divided. If that were the case, the Japanese forces in Hsifengkow would not be able to get any help from the Japanese forces in Kupeikow; and the Chinese forces in Hsifengkow would have had a better chance to beat off the enemy.

It is the opinion of the Chinese observers that the National Government should take the following steps to save the present deplorable situation in China:

Ways to Save the Situation

1.—All leaders of the Government should have an open heart-to-heart talk about the policy and action towards the present situation. It is an open secret that the Chinese leaders in the Government are by no means unanimous in their policy and action regarding the present situation, and it is this disagreement that places the country in a situation, which could neither be characterized as "resistance" nor "non-resistance." We could not say that the Chinese are not resisting the invasion, for the Chinese are fighting against the invaders in Hsifengkow, Lengkow, etc. But we could not say that the Chinese are putting up resistance, for Jehol, the only way open leading to Manchuria was apparently given up to the enemy without any form of resistance. In the absence of a better term, we call the present Chinese resistance as "individual, regional, unorganized resistance." But as stated above, such resistance would only result in heavy losses of lives to both sides, but no good to China's case. Therefore, we demand the Government should quickly adopt a "definite policy and action" and should take substantial actions towards the realization of such policy. We demand an organized, systemetic resistance offered by the whole nation; the paper, verbal, unorganized and regional resistance is *not* wanted.

2.—Recently, General Chiang Kai-shek has repeatedly urged General Feng Yu-hsiang to come to Nanking by offering him posts, of various kinds, knowing, of course, that General Feng though in retirement still wields much influence in North China. To these repeated requests and delegations from General Chiang and other government leaders, General Feng replied rather coolly that he would like to have an opportunity to fight rather than to go to Nanking to take up any post. "What is the use of going to Nanking?" is a question which General Feng always puts before General Chiang's delegates going to Kalgan. In one occasion, General Feng even assured General Chiang that if he were put in command of the troops in the North, he could take back Jehol in 10 days! We have also read several letters which General Feng wrote to General Chiang.

It is our opinion that it is up to General Chiang to comply with Gen. Feng's wish to let him assume actual command of the troops and to order him to go to the front to fight. If any of Marshal Chang's subordinates refuses to take the order of General Feng, it is the duty of General Chiang to exercise his influence to make them obedient to General Feng, pointing out to them that the necessity as well as gravity of the situation demands that there should be one and only one supreme command to which all subordinates should obey. It is futile for General Chiang to continue his pursuasion to induce him to come. It is far better to place him in actual command of troops. The appointment of General Ho Yin-ching to be in charge of the military affairs in the North, who really could hardly command the obedience of other generals in the North, seems us, to us a mistaken move on the part of General Chiang. General Feng is certainly better qualified to be in charge of the situation in the North!

3.—In these trying hours, when China expects "Every one of her citizens to do his duty," men like General Chang Fa-kwei, the commander of the famous Ironsides, General Li Chi-sing, military expert, and many others should never be left idle. Now is the time for all to sink all the past differences and to unite to save the critical situation, and to demonstrate to the world that China can save herself, if no outside help is forthcoming.

Nanking, April 17, 1933.

Japan's Crisis as Viewed by Her Military Leaders

(By the Review's Tokyo Correspondent)

(Translations from various Japanese publications)

Great Mission of the Imperial Army

(By War Minister Gen. Araki—Gendai)

EVERYTHING which occupies a space in the universe has its own mission; the sun, the moon, the earth and the millions of stars above us have their respective mission to fulfill. Likewise, all, from men, horses, cats, dogs and other animals to a blade of grass, have Heaven-given missions peculiar to themselves. and, in that they have different obligations to discharge, lies the significance of their existence and raison d'etre. This is also the case with the human world; every country enjoys its own endowment and mission. Likewise, the Japanese have their own, just as the Chinese have their peculiar gift, character and mission. By each nation's realizing its own endowment and by performing its Heaven-given mission, peace will reign over the world and people will all thrive. We should therefore realize our own gift and mission and base every inch of our activities on this consciousness.

What, then, is the God-prescribed mission for the Japanese? Behind the small bit of our flesh there always shines the history of three thousand years. By closing eyes and casting mental eyes towards the days of the founding of the State, we become conscious of the existence of a thing which awaken us to the obligation of the perfect execution of the mission. Our national mission is justice, benevolence and courageous resolution as symbolized by the Three Sacred Treasures, that constituted the great ideal of the country when it was founded three thousand years ago. On looking back on the past history of the Empire we cannot but be struck with admiration by the brilliant records of splendid display of these great ideals in time of national crisis. Wars fought with China, Russia and Germany were all conducted, based on these great national ideals; otherwise, instead of satisfying other nations, the victory would have invited other Powers' enmity and distrust so that the country might have been driven to an extremely disadvantageous position.

The object of Germany's declaration of war which led to the Great European War lay in satisfying the wild ambition and territorial expansion of the Kaiser; in the attempt, no semblance of justice and not a bit of the sentiment of benevolence was recognized. On the other hand the Sino-Japanese, Russo-Japanese and Japanese-German wars were motivated by the lofty ideal of creating peace in the East acting with justice and humanity; hence the divine protection of our Imperial ancestors.

That we place much importance on the Manchurian question is not only because of the 100,000 souls lost, two billion yen spent or the questions of national economy, population, foodstuffs, materials for heavy industry and national defence, which are of secondary importance, but, above everything else, of the apprehension that unless our national prestige be firmly established in Manchuria and Mongolia there would be no end to the menace to the peace of the Far East which might in the long run prove obstacles in the way along which the country's great ideals of historical significance must be developed.

Great Britain is known as the country of gentle-folks and America stands for justice and humanity, but I can almost fathom the impression you will receive when you compare their attitudes toward the Orient and what they have done to India, Panama, Nicaragua, Cuba, Mexico and other Central and South American countries. Are those countries of gentlemen and justice broad-minded enough to understand the true significance of 皇道 (Huang tao) and to study once for all how the situations in Japan and the East stand at present?

In casting eyes in our neigborhood we find that Asia has been deprived of its essential character day by day; the Asiatic races, which occupy one half of the entire population of the world, have been denied the legitimate right of existence and chased up toward the Eastern corner of the Asiatic Continuent. We hear the alarm-bell rung calling the Asiatics back to their senses and to set about the task of re-establishing their own safe existence which is on the brink of ruin. How under the existing conditions can the Japanese Empire, which is situated amidst the unfortunate countries of decaying Asia, afford to sit still as if nothing had happened? If it could, it would be disobeying our Heaven's command and going astray from the path laid down by Imperial ancesters. The great mission of the Imperial army lies in the maintenance of peace and assurance of the well-being of inhabitants of the Orient.

"Extraordinary Time" to Come in Three Years

(By War Minister Gen. Araki—Bungei Shunju)

Mr. Naoki: Do you think an economic blockade is possible as the worst culmination of the situation?

Gen. Araki: I wonder if it is practicable. I often said in joke that Japan is fully well prepared not to be embarrassed by the blockade, of which the papers reported half-jestingly. The whole thing depends after all on the firm determination of the people that if compelled they will be perfectly contented with dieting on gruel of rice and if even the gruel was denied then they will sip rice water in contentment and further that if the situation become still worse they will do without eating a grain of rice while preserving an attitude worthy of a samurai.

Mr. Naoki: I remember once you mentioned that the "extraordinary time" would come in three years. What do you mean by this—the Manchurian question?

Gen. Araki: In 1936 everything may become entangled with the London Naval Pact as its center. Unless treated with utmost caution the situation may develop into an international trouble worse than the present one. On our part it is wrong to think that in Manchuria things will gradually turn in favor of our leading an easy life. Just think of our laborious work in the past: as we are, as it were, climbing up the mountain drenched to the skin wearing straw sandals, we shall become weary and fatigued if by taking off the sandals we warm ourselves at the fireside. We are therefore to continue the climb until the summit is reached, and the journey will require at least three years from the present.

Mr. Naoki: Then, am I to understand that you mean in 1936 more complicated international troubles may occur?

Gen. Araki: Yes, perhaps. The war-debt and relevant international questions will by that time become worse, and it is but natural that at the time when knotty problems are putting up their heads, the outbreak of an unlooked for event may lead the whole situation into a crisis.

Mr. Naoki: What we are most afraid of is that in the event of Japan's being encroached upon by a Japan-American war there may be an outbreak of civil disturbances in our country. To the country which has never experienced the bitterness of being defeated, the disturbance is to be considered as unavoidable, we presume. What is your opinion about it?

Gen. Araki: If such is the case, it is no use crying over spilt milk; only we have to dispose of the trouble in some way or another. We have no other way to follow than doing our utmost as soldiers with unflinching determination to die for the sake of the country. But those who are in charge of administration and who have the authority of starting and ending the war should take up such a matter before it actually turns out to be a reality.

Rely Upon the Military Strength

(By Major Gen. Nakamura of the 4th Division—Pamphlet published by the Tokyo and Osaka Asahi)

Naval strength plays the most important role in carrying into effect an economic blockade in real earnest; the blockading nations must have navies strong enough to shut up the whole country. Foreigners who closely culculate their own interest above everything else would be sure to hesitate before reaching a decision of carrying out the blockade which inevitably accompanies war. Supposing there are nations likely to enforce the measure of economic persecution against Japan, what countries are they? Among the League's member states it is Britain and France that have no small interest in the East. Each possesses an Oriental Fleet of course, but it is next to impossible for both of them to hope to be a match for the Japanese navy. Then, we understand that it is not Britain and France but Russia and America which, though staying outside the League, are in a position to exercise military force against Japan. As regards America it would seem impossible for her to have recourse to an economic bottle-up of Japan in anticipation of resultant war. It is nevertheless true that it is not seldom that America goes off the

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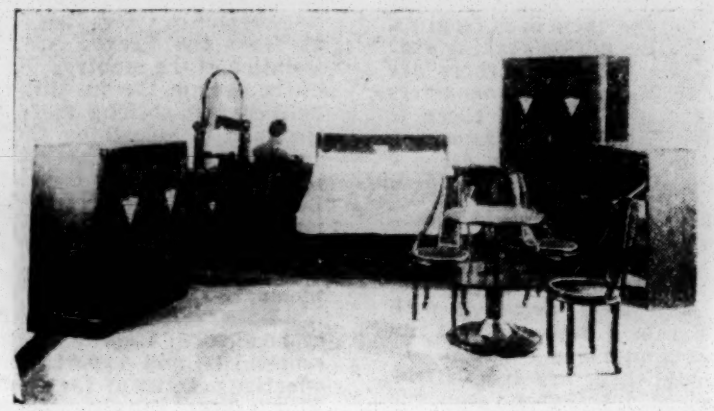

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beaten track of diplomatic usages at times, and furthermore, when we look back upon her movement during the European War and study her Asia policy, there is no knowing what may happen. This is why we should be always prepared.

America's taking part in the European War was with the otensible object of upholding justice and humanity; at the bottom there lurked several other more important causes. One of them is said to have been the fact that the country had by that time sold to belligerents on credit such an enormous amount of war necessities that further supplying would only serve to deprive the debtor nations of power even to pay back the interest while another is reported to have been to destroy the growing German influence in the middle and southern part of the continent in order that the economic power in those parts of the continent might be re-established, paving the way for the easy practice of the country's Dollar policy—Imperialism. Even from these scanty evidences it is clear that the motive of America's joining the Allies lies more in internal reasons than in the declared fair name of justice and humanity. Considering America's Asia policy of recent years, we have reason to anticipate at any moment her standing up firm on imperialism although she has been holding up the sanctity of living up to the spirit of the Anti-War Pact and the League Covenant. Such being the case we must get ourselves perfectly prepared for any emergency that may arise. The present navy of America is not to be compared in power with that of our country, although in the event of the former's completing her expansion schedule based on the stipulations of the London Treaty our navy will be placed in a very disadvantageous position.

Next, with reference to Russia, she has just completed the First Five Year Plan and entered the Second Five Year Plan stage. In her first attempt she has sacrificed much of the nation's living conforts, though she has succeeded in improving and enlarging her armaments. From this and the fact that the Second Five Year Plan has just been entered upon, we feel safe to judge that Soviet Russia will have to stop to reflect seriously before she decides taking up arms against Japan. Yet, we must be prepared for an unlikely event in this direction also, because Russia is another country which does not always keep to the normal course of the international usage and practice. We understand the army is perfectly ready for any turn of the tide in this quarter.

Under any circumstances, the nation may be entirely dependent on the military strength of the country.

Blockade with Power Is a Wild Dream

(By Major Gen. Fujiyoshi, Naval Staff Office—Lecture given in Osaka)

The economic blockade is a topic now discussed in various circles of the country. Especially in Osaka people have much concern about the question, I believe. According to those who have pessimistic views of the question, since 30% of our foodstuffs come from the Asiatic Continent, the stoppage of the importation due to economic blockade would cause the people to starve in the long run; following the discontinuance of the export of industrial materials by India, British dominions, and America, factories of the country would have to be closed down, and all industries of manufacturing and otherwise would thereby be paralyzed. As regards the exportation, all the foreign market for the Japanese raw-silk would be lost, to the great consternation of the country. Then would follow the paralysis of ocean transportation. The result of all these, they contend, is the downfall of the Empire.

These suppositions of the pessimists, I condemn as being the products of their lacking in due knowledge of the facts of things; they are nothing but hypothesis. History shows before us the fact that no perfect blockade was effected against Germany in the European War. In those days Germany stood in a position of complete isolation, against which Great Britain, with its unique advantageous geographical situation, had to experience a death struggle in practising an economic blockade. Placed as Britain was in such an advantageous position she failed to effectually bottle up the enemy. Should the League of Nations decide to enforce the practice in defiance with such an adverse precedent and existing conditions, what would be the result? Could it be practised by words only? It is nonsensical to think of launching an effective blockade by paper; without the use of naval power no practical blockade can be expected under any circumstance. But, it seems there is no country likely to possess a navy powerful enough to take over the task just at present, I dare say. It is like building castles in the air to think of assuming the role of blockading Japan by force. To

consider seriously the League's taking steps to boycott Japan is tantamount to thinking of a Swiss or Czechoslovakian navy taking up the task of bottling up Japan.

With reference to the question of mandatory power of the South Seas Islands, probably you have heard much of it from various sources, and I shall refrain from dwelling upon the question except that you all need have no apprehension whatever about it. As has been clarified in detail in the statement issued from the Foreign Office, the South Seas Islands are under Japanese sovereignty and the League has no right whatever to take them back from us. Nor is there any possibility of another nation's taking over the mandatory power in our place. Of course there are opinions different from ours in learned men's quarters but all of them are unworthy of notice. If there is anybody who dares to deny the existence of our sovereign rights over the island territory we shall take up a decisive attitude against such injustice.

Restraint by Military Force Is an Absolute Impracticability

(By Colonel Viscount K. Oshima, Chief of the Staff of 16th Division—Pamphlet published by the Tokyo and Osaka Asahi)

The Imperial army is fully well prepared with reference to the withdrawal from the League so that you all may be able to remove all apprension about it. In article 16 of the League Covenant there are stipulations relative to the application of armed restraint and economic blockade, but in military circles it is believed that no armed restraint is practicable in the Far East by European and American forces. If, however, there is what is called armed restraint, it is no other than the League's moving Russia or supplying China with arms, we are confident. To go into the details as to why the Powers in Europe and America are unable to send troops to the East, I have to mention that in transporting a division from Europe to Manchuria or China 50 vessels of 3,000 to 4,000 tons will be necessary, and this for only one division; if, however, they seriously contemplate exercising oppression against Japan with military force, it would be out of the question for them to hope for a victory with only 5 or 10 divisions.

Suppose Britain, America or France sends round 10 divisions, five hundred of 3,000 to 4,000 ton transports would be required. All these ships must be subjected to scores of days' hard voyage through the Indian Ocean; it takes at least 45 days from Marseilles to Japan, but in the case of a group of 50 vessels' taking the same course, 45 days would not be sufficient. It was only after being subjected to a considerable number of days' uncomfortable voyage that the Baltic Fleet of Russia succeded appearing in Oriental waters. Even in the case of America it is a matter next to impossibility to attempt to transport troops across the Pacific Ocean.

Relations Between the Withdrawal and the Japanese Navy

(By Rear Admiral M. Hibino, Chairman of the Military Propaganda Committee—Pamphlet published by the Tokyo and Osaka Asahi)

We stopped into a super-extraordinary time beyond what is called the so-called "extraordinary time." And we the navy men realize the gravity of our resposibility upon our shoulders. You are probably anxious to hear the opinions of the naval officers respecting the affairs relative to the nation's for saking the League membership. Since the outbreak of the Manchurian incident on September 18, 1931, the navy authorities, anticipating the arrival of the situation we are now face to face with, have been intent on building up the real capability of the Imperial navy. This is why we can face the present situation with perfect composure and presence of mind. The only change noticeable in this connection is the growing in importance of our navy's responsibility ever since the outbreak of the Manchurian incident. The following remarks of mine can be said to represent the mood of the Imperial navy circle though they may fall short of being an exact reproduction of opinions among navy authorities.

The word, "withdrawal," sounds as if we were deserting a perfectly authoritative body, we the Japanese being a subject of the central establishment called the League of Nations, but this is not the actual state of things. Since, however, the word "withdrawal" has come to be of common use in our country there is no need of our inventing a proper word in its place, yet the notion that the League is a principal body and Japan is one of its subordinates must by all means be eradicated from our minds. We have for the past thirteen years done a great deal of contribution towards all branches of the enterprises undertaken by the League, and that with marked success. Unfortunately, the time has come to part with the international body in consequence of difference of views between Japan and the League on the Manchurian question. We would have listened to the suggestions of the League if only we could maintain the peace of the East through following them. Our quitting the League is like throwing away worn out sandals or foresaking a broken house; all these mean parting with an institution which has ceased to function in good order. Our sentimant is perfectly in accord with that of Mr. Matsuoka in which he regretted having to part company with the League members. This is quite true, but this undisguised belief of ours is exactly what I have stated above.

In some quarters they maintain that Japan's withdrawal from the League membership means international isolation of the country. As is clarified in the Covenant of the League, the institution has no authority to exercise politics; it is nothing more than an organ entrusted with the task of smoothing the relations among nations. To speak the truth, we have had to experience inconveniences in our attempt of conducting diplomacy through the League—past records showing trouble rather than convenience as is evidenced by the Manchurian issue. By leaving the League we can free ourselves from the fetters of vapor-like arguments and establish free, realistic diplomacy.

With reference to the bottling up of the country economically, I quite agree with various learned men, economists and experts in their contention that the effective practice of the attempt is next to an impossibility. This is quite true also from point of view of the geographical features of the country. By this I do not mean to insist that there is no possibility of our islands being made the object of blockade. We must accordingly be prepared for the most unlikely culmination. Lord Lytton mentions that the economic blockade against such a great Power as Japan would mean the outbreak of another world war, and that it would not only be the blockaded nations alone but also the blockading nations that are subjected to enormous difficulties. I end this lecture with an important remark, that it is the navy's undisguised determination that since the present state of things is the result of the Empire's holding fast to its national policy and lofty mission which are absolute, the withdrawal from the League has not been calculated or based on the likeliness or unlikeliness of the world's taking up arms against us. Therefore there is no need of our paying attention to things happening around us; it is not time to discuss the question of whether the boycott is practicable or not. We all must unites to defend our country before national difficuties that may arise in many forms in future.

Second Japanese Emigrant Group to Settle in Manchuria

A second group of 500 Japanese emigrants will leave for Manchuria from Kobe on June 23 to settle in a district 100 miles northeast of Harbin and 18 miles south of Chamusu, on the right bank of the Sungari River, according to a recent announcement from Tokyo. Members of this second emigrant group will receive special training between May 22 and June 20 before sailing. Candidates for the party must be persons engaged in agriculture in the rural districts. They must be of strong constitution, good conduct and free from radical tendencies, as well as able to endure hardships.

Two Peiping Students Arrested on Unknown Charges

A *Reuter* despatch from Peiping dated April 12 reported that two students of the Peking University, Chou Kusung and Feng Hou-shen, were arrested by the local police on unknown charges. The arrests were made when the students were fast asleep, both being dragged from their beds. As both are considered law-abiding students and no formal charges have been preferred against them, the authorities of the University are trying to effect their release on bail.

World Boycott of Japanese Goods Urged by British Labor Leader

A world boycott of Japanese goods was advocated April 13 by Major Attlee, prominent Labor member for Limehouse for discussion between Ramsay MacDonald, the Prime Minister, and President Roosevelt at Washington. The suggestion was made in the House of Commons in the course of a debate on foreign affairs.

Major Attlee declared that unless the world took a strong line in connection with the Sino-Japanese dispute, it would cut at the roots of disarmament.

China's Indomitable Spirit

(From the Straits Echo, Penang, March 11, 1933)

EVENTS on the Jehol front have moved very rapidly since last we wrote on the Far Eastern situation and to-day Japan is master of the whole province and threatening to go behind the Great Wall and enter China Proper itself. Not even the worst enemies of China would have predicted such a rapid debacle and Japan's triumph is a tribute to her highly organized and efficient war machine as well as further proof that China has yet a lot of leeway to make before she can claim to be a first-class military power. The complete rout of the Chinese Army in Jehol was in direct contrast to the bravery of the Nineteen Route Army in the Shanghai Battle last year and the bitter attack of T. V. Soong on the antiquated tactics of the Chinese Generals was none the less deserved for being so scathing. But the important fact that emerges from all this is that, although the Japanese have occupied Chinese territory and propose to gain complete control over it, the spirit of China remains unchanged and the latest news is that Chiang Kai-shek himself will take charge of the operations at the Great Wall. But although Japanese "might is right" policy appears to be successful at the moment, the day of reckoning is sure to come and Japan's glory to-day may lead her but to destruction. We have no wish to offer excuses for the Chinese defeat. There can be no doubt that the ill-fed, ill-clothed and ill-trained Chinese mercenary troops were no match for the disciplined troops of Japan. Further, the Chinese morale was completely wrecked by the bombing from the air which played a big factor in the rout of the Chinese. We have already commented on the use or rather the abuse, of aeroplanes in warfare and the present Japanese campaign has not only proved the effectiveness of the "air arm" but also the horrors of the merciless work of the air bombers. Whatever attempt was made by the Chinese troops to make a stand, it was soon set at naught by an air attack and the Japanese land forces had a comparatively easy march to Jehol city. Impressed by the effectiveness of Japan's aircraft, there was a race for buying aeroplanes in almost every part of China. Many trade groups decided to purchase aeroplanes and started to raise funds while Oversea Chinese have presented aeroplanes. Aviation weeks have been inaugurated and special societies have been formed for the exclusive purpose of obtaining aircraft. In response to the need for aerial pilots, the National Aviation Association has decided to establish an aviation school in Shanghai and the classes will begin in April. It is very unlikely indeed that these spasmodic efforts will result in providing China with an effective and up-to-date air fleet, but they are evidence of the indomitable spirit of China which will never be trod under the heel of the Japanese war lords. Bernard Shaw is reported to have advised the Chinese to adopt in Manchuria, the same methods as those followed in Ireland; that then it would be necessary for Japan to send out one soldier to guard each man and this would be impossible as there were 30 millions Chinese in Manchuria. When Manchuria is extended to the whole of China, the 30 millions become 400 millions and the utter impossibility of ruling a people against their will becomes apparent. That is the task that Japan is essaying and as long as China's spirit remains the same as that of the Nineteenth Route Army, Japan is doomed to failure.

American Mint Expert Heads Newly Opened Shanghai Plant

Robert John Grant, director of the U. S. Government Mint at Washington, D. C., has been appointed technical expert in charge of the Chinese Government Central Mint at Shanghai and will arrive in Shanghai shortly. Mr. Grant will succeed Clifford Hewitt, who superintended the construction of the Shanghai mint, but because of ill health was compelled to resign and recently returned home. Mr. Grant was born in Nova Scotia and attended school in Boston. After engaging in mining in Colorado, Arizona, Mexico and Australia for several years, he was appointed superintendent of the U. S. Mint at Denver and since 1923 has been director of the mint at Washington, D. C., which is connected with the Treasury Department. During the war he directed the food administration of Colorado. He is a member of the American Institute of Mining and Metallurgical Engineers.

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Another World Conflict in the Offing

BY S. Y. LIVINGSTON HU

THIS brief paper embodies some of my layman views and convictions first relative to such war-instigating tendencies transpiring in the world today as The League of Nations as a war trust, A possible Realignment of some of the western Powers to aid Japan in their joint imperialistic designs on the Far East especially on China, Another possible International Counter-Combination for purposes of neutralizing the potency of that war-like contingency, A problematical prospect of peace in Europe on account of consistent armament rivalries among the European nations for fear of insecurity and subordination as their pretext under the guise of various disarmament projects and conferences and of the German demand for re-arming and for the revision of the Versailles Treaty and for a reconsideration of war reparations, The Problems of the forthcoming International Economic Conference at Washington concerning international trade rivalries among the Powers, the chaotic Monetary System of the world—either by a better distribution of the gold supply or the replacement of gold standard by silver and lastly Great Britain a trickster in world politics and an accomplice of Japan as the malefactor in this impending world conflict over the Manchurian issue and thus the foredoom of their destinies and secondly concerning such personal unchangeable convictions about world peace and world order as that war is history but peace is hysteria, and that unless and until all the nations of mankind are equally armed both in kind and in degree the dream for world peace and universal brotherhood will be the greatest deception of its kind and therefore the source of all iniquities—the purpose of which is to incite China and the Powers not to further use such floundering language as the "Prolonged Resistance against the Japanese aggressions in China by China" and "The Settlement of International Dispute by peaceful means by the League of Nations," but to call a spade a spade, that is for China to say to the world that she wants to fight like a man and by divine right for the restoration of her lost territories at any price and for the League of Nations to tell the whole world honestly that we, the Military Powers of the West and East, the actual constituents of the League, have a divine mission to make ourselves forever strong and supreme and to make the small and weak nations eternally smaller and infinitely weaker, for I know that this truth even if so wicked would be more pleasing to God and Man and for I also believe that "Peace is the product of preparedness for defense" as said by President Herbert Hoover not long ago.

The Career of the League of Nations

I do not want to trifle with the nobleness of mind and the seriousness of purpose of the late President Woodrow Wilson in founding this League of Nations in 1920 but I do tenaciously deplore the hollowness of its career during the past years especially now either as an international body for promoting world peace or as an international agency in the suppression of social evils as shown in its consistent failure in two of its major works—Disarmament and suppression of opium traffic—to say nothing about its unwillingness to settle international dispute by peaceful means and thus I shall call it an incubator of war. The League is defective both in organization and in administration because in organization it undertakes too many things at a time, namely, armament, disarmament, world economics, social welfare and even culture which in reality have no direct bearing upon its mission of disarmament, of settlement of international dispute by arbitration and of respecting the territorial integrity and political independence of all its member states and to protect the same against external aggression and thus making it a jack-of-all-trade-but-trade-of-none in function. The administration of the League is proven defective in its exclusiveness as a secret confederacy by its elaborate gradation of rights and privileges conferred upon each of the participating countries on the basis of their military strength instead of on such fair bases as population and territory—to wit—England, France and Japan alone being the permanent members on the League Council, so the clamorings and votes of the small Powers can be over-ruled by the Great Powers. Besides, the Great Powers of Europe subordinate their military and naval policy at Geneva to the needs of their respective internal politics and thus they use the League to further their own wishes—for instance the naval ratio-5-5-3—a plain case of trying to secure a balance of power among themselves for more scientific purposes of exploitation upon the non-military nations while forgetting that a program as such has also given cause to other great European Powers to start revolution anew—to wit—Hitlerism in Germany, Fascism in Italy and Communism in Russia. On the other hand if the consent of the small nations is not essential to the right decision of the League why then should they be represented on the League membership? No one desires to hand over the control of the world to the large nations. The small countries have rights as well as the big ones and in the aggregate their citizens form a larger part of the peoples of the earth. Of course I have to admit that the League had settled some minor disputes of easy nature, namely, Finland and Sweden over Aland Islands, Polish-Lithuanian over the town of Vilna, solution of the Question of Partition of Upper Silesia between Poland and Germany, Adjustment of Frontiers between Poland and Czechoslovakia, between Czechoslovakia and Hungary and between Jugoslavia and Hungary and so forth which in reality can be likened as a clever kidnapper trying to prevent the victim from crying out loud by serving him candies thereby facilitating his prank. As a machinery for peace the League of Nations has been proven too weak and too wicked to be of any use in a crisis as indicated in its possible favorable judgment over the Chino-Japanese conflict in Manchuria. It did not only flounder but it also dodged the issue not because of the complexity of nature of the case on hand—a case of daylight robbery of a strong nation without any provocation attacking a weak one and a case of wholesale violation of the Covenant of the League, of Nine-Power Treaty and the Kellogg Anti-War Pact—but because it involves vital interests of its confederate Powers—England, France and Japan. If the League cannot stamp out the war embers now smouldering in Manchuria it may be weakened to the point of death. Although I am no friend to the League yet I have no desire to chant a funeral service over the League or recite the possible consequences of its demonstrated inability and unwillingness to prevent Japan from grabbing Manchuria from China. I am very much constrained to say openly that in this flagrant case the Geneva Institution has intentionally failed to muster up sufficient courage to call certain events and actions by their proper names and to resort to the application of appropriate articles of the Covenant. It seems that we have reached the end of the era—an era in which a world-wide desire for peace found expression in the League of Nations, The World Court, the Locarno Treaty, the Kellog Anti-War Pact and three great Naval Conferences—we are back in 1912. It is up to the healthy-minded portion of humanity to decide whether they should strengthen the League or abandon it. If they wish to strengthen it they must pay the price, if they genuinely wish peace they must prepare to make sacrifices for it—sacrifices of money and of men. "If God did not exist it would be necessary to invent Him" said Voltaire but I implicitly believe that our God still exists.

The Fight for "National Interests"

Historically since the sixteenth and especially since the middle of the eighteenth century men have fought more and more for merely "national interests" unjustifiable by any common morality. Ever since the last world war in 1917 everywhere we hear of efforts—national and international, official and non-official alike—to abolish war altogether. Is it possible? It is an unreal folly. Wars will continue as long as man is man. From the beginning of history up until 1870 all states followed a constant rule in their armaments—reduced them to the lowest possible minimum in times of peace, increased them only in times of war so this disarmament fake under the auspices of the League of Nations is for the first time in history that armies and fleets and aircrafts did not cease to increase in time of peace just as if a state of war existed always but of course ever since 1870 there appeared in Europe a formidable innovation—the unlimited competition in armaments. On account of increase of

population in the conscription countries, the increase of wealth and trade, the progress in metallurgy, in the mechanical and chemical industries and the invention of new arms the armaments increased from year to year and military budgets also—to wit—the decade after the Treaty of Versailles the aggregate military expenditures of the principal states other than Germany being increased from about $2,500,000,000 in 1913 to over $4,000,000,000 in 1930. Germany was disarmed by the Treaty of Versailles and now here are the figures of her national defense budget: 1924-1925—465,750,000 marks, 1925-1926—621,265,000 marks, 1927-1928—717,154,000 marks and it continues on increasing.

Naval Disarmament

I shall deal very briefly with the naval disarmament conditions among the Powers especially with the French naval aims. Navies are intended mostly for imperialistic purposes, namely, provision of protection for an overseas domain, to assure safe convoy of colonial troops and supplies and raw materials in case of war and lastly to defend the home coasts and the lines of communication. Of course England has the longest seaboard and line of communication of 32,835 miles and 66,046 miles respectively, America—13,830 miles of seaboard and 16,507 miles of line of communication, France 9,535 miles of seaboard and 34,484 miles of line of communication, Japan—5,570 miles of seaboard and 4,822 miles of line of communication which evidently determined the naval ratio—5-5-3. The percentages of increase and reduction of the world navies since the Great War are as follows: both England and France reduced 42% and 49% respectively while America and Japan increased 28% and 20% respectively. If I were an alarmist by nature I would like to jump to the conclusion that war between America and Japan cannot be in a distant future. The French naval policy contends that her naval force has to be so large as to be commensurate with her naval need in the Mediterranean. So she assumes that in case of an attack upon herself, England remaining neutral, the forty-three French units would be confronted by 88 Italian vessels of more recent design, not to mention the 22 Spanish ships. France also had to face in the north a German navy. France is well aware that England is constantly urging France not to worry about the defense of her coasts nor about the provisioning of her armies because England will attend to that in case of war. To accept it would be to place France under the complete domination of England—a position of vassalage towards England. Is there a people on earth that could accept such a humiliating and insecure position? England would like to be mistress of all the seas about France and thus controls and perhaps determines all European naval policy. So there are two doctrines confronting each other—the English Doctrine of "British Supremacy" and the French Doctrine of "Freedom of the Seas." Disarmament cannot be designed to entrust the freedom of small nations to the will of those which harbor dreams of world empire and such is the pitfall of the disarmament stunt under the League of Nations!

No one denies to aircraft a place of first-rate importance in the warfare of the future. It is in the air that the military rivalries of the Powers are now developing most rapidly and most dangerously. The airplane is a deadly war instrument but its deadliness is inversely proportional to the distance at which it strikes. Its extreme range of flight is at most 5000 miles without stopping to refuel and its effective military range to carry enough projectiles to do any real harm does not exceed 800 miles. So England and France are within reachable distance of air attack and this impels both England and France to undertake more and more expansive preparations. So the world is in danger of drifting on into a race of aerial armaments paralleling that naval competition which marked the years immediately preceding the late world war.

An Inextricable Net of Hate

Today Europe at least has again become an inextricable net of hate, distrust and more or less hidden rivalry. No power will come to the conference engrossed in the general problem of disarmament and preoccupied with the necessity of solving it loyally and completely in order to save the world from the wanton destructions of war but all the powers will be, above all, intent on finding and obtaining the approval of measures of disarmament which will limit more the forces of rival powers and limit less their own. At Geneva one will

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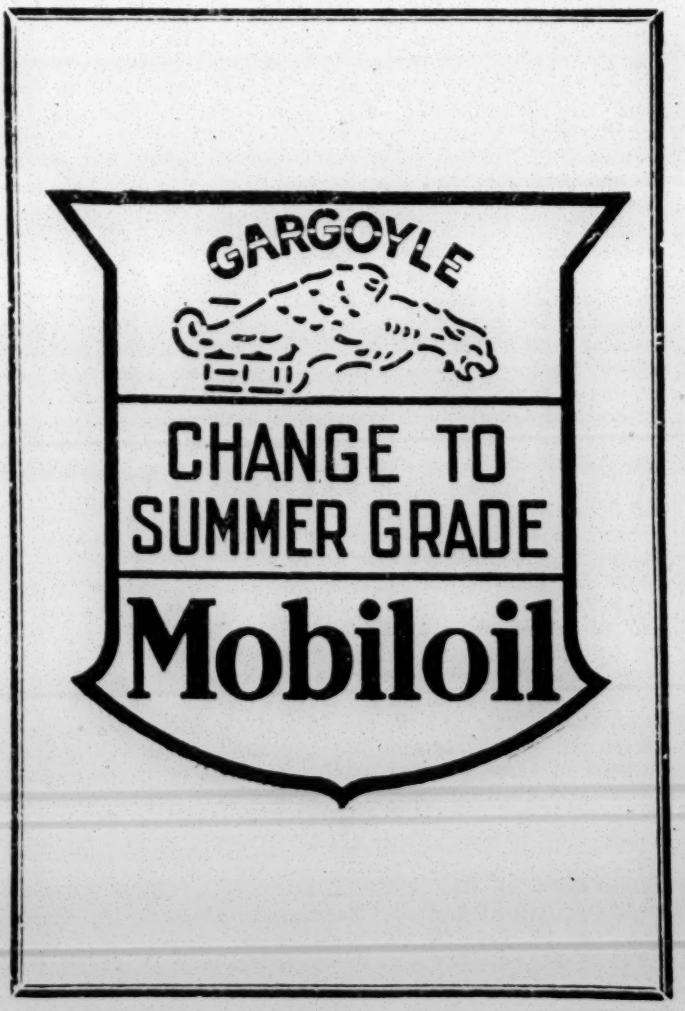

surely see the poverty of the world in revolt against cannons, tanks and fleets. All the governments have felt what a monstrous paradox it was to spend every year more than $4,000,000,000 to buy arms after almost all states have outlawed war when four-fifths of them are on the point of bankruptcy and all peoples are threatened with ruin. Thus to expect a permanent warless world is no sillier than to hope for religion without authority, civilization without inequality, art without culture and tradition, good manners without long training, society without some conventions and so on to weariness. In any event many wars have paid and will doubtless continue to do so, for instance, wars between civilized men and barbarians, the Indian wars of U.S.A., the Prussian wars of 1864, 66, 70-71. Did they enrich the winners many thousandfold? I have even heard it hinted darkly that the war of 1914-1918 did not completely impoverish the United States. Frederick the Great in his extreme age wrote to Voltaire: "Running over the pages of history I see that ten years never pass without a war. This intermittent fever may have moments of respite but cease never." This is the last word of the eighteenth century upon the dream of universal peace. After all war is a manifestation of the world spirit, co-extensive with being and as such, inseparable from man's life here and now. I shall quote here what Dr. Samuel Johnson once said about patriotism: "Patriotism is the last refuge of a scoundrel" so let us hope that the League of Nations will not be the last refuge of scoundrels.

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Possible Anglo-French-Japanese Entente And Its Antidotes

Evidently this Sino-Japanese Controversy over Manchuria has revived the old order of things in international politics, namely, secret diplomacy, regional understanding, formation of cordial entente for purposes of concessions, dismemberment of the weak nations which precipitated the last world war and which, if not nipped in the bud, will encircle the world into another war of more gigantic scale and of its being more scientific in causing destruction to mankind. It is my earnest purpose to depict in a general way how would it be possible for England and France at this time to come together to join hands with Japan when the Japanese armed invasion of Manchuria is as plain as daylight a case of intentional violation of all international agreements with herself as one of the signatory parties thus defying herself and the world and how this realignment is on its way to tacit understanding among the possible contracting parties. I do not blame Japan for trying to get both England and France over onto her side this time because she felt that it was her blundering inexperience of 1895 to have failed to form alliances with Western Powers and thus caused France, Germany and Russia to compel her to return Liaotung Peninsula to China in spite of her victory over China. Since then Japan succeeded in her attempt at an Anglo-Japanese Alliance which enabled and encouraged her to war upon Russia and annexed Korea so the situation in the Far East now demands a renewal and a closer military alliance between Japan and Great Britain. It was under such pitiful circumstances as England's fear of Japanese domination over the Asiatic Mainland, of American pressure for Anglo-American Co-operation in the Far East, of Anti-Imperialist ideas of the Labor Party and of Australia's plea for protection against the possible invasion of Australia by Japan that England reluctantly discontinued this notorious Anglo-Japanese Alliance which was primarily engendered by a very selfish and timid purpose of England—her suspected fear of Russia's advance into India. In my humble judgment "The fear of God is the beginning of wisdom while the fear of man is the starting-point of self-annihilation." It was in November of 1928 when there came new moves by the Japanese to establish an accord with England for a common policy in China as both of them are the leading nations in China's commerce and claimed special interests over great areas of China, Japan in Manchuria and Britain in Tibet but it was due to the undue alarm of the Chinese Government over this contingency and the fall of the Tory Government in May 1929 followed by a Labor Government in Britain and the Hamaguchi Ministry in Japan this renewal idea of Anglo-Japanese alliance was temporarily held in abeyance. In order to understand the complicated background of this unfortunate but factual possibility let us observe the undercurrents as indicated in the official and non-official relationship between Japan and England, England and America, Russia and England and France and Japan plus that irreducible fact—the actual ruling class of English-Aristocracy—since 1832.

The Aristocracy of England

Harold J. Laski of the University of London has said thus much in commenting upon the fact that the aristocracy is still the ruling class in England, namely, that the real seat of the governmental authority in Great Britain is of course the permament civil service but broadly this is a middle class institution since no working man has been elevated to the House of Lords and that the Liberal Party diminishes in size and the Labor Party becomes the natural residence of the radical-minded aristocrat. Industrially England today centres round the money-power of the banks and particularly of the Bank of England. Peers tend more frequently than in the past to become business men and rich business men tend more frequently to become peers. For the real clue to the nature of the English State is that it remains what it was in Victorian times. The aristocracy has surrendered external privilege and retained even its intensified social prestige while the monarchy deprived of all active powers retains an impalpable influence which it is dangerous to minimize. In the last analysis of the case on hand I would like to say that no governing class has ever had the same genius for making necessary sacrifices at the right moment as the British aristocracy and that it is not an unfair conclusion that so far at least the supposed re-accession of the Labor Party to power cannot be regarded as a decisive challenge to the framework of traditional England. 1924, 1929 and maybe 1933 or 1934 are like 1832—some further instances of the superb absorptive capacity of the English aristocracy. Accidentally or unfortunately otherwise this military Japanese invasion of Manchuria followed closely the fall of the British Labor Government in August 1931. God alone knows it exactly but I do not.

I am no alarmist but I believe in this contemplated possibility of renewal of this Anglo-Japanese Alliance—which proves in every way the infirmity of judgment, a confession of naval weakness and ignorance of statesmanship international political and trading ways on the part of England. Now let us take a dispassionate inventory of the effects and after-effects of this semi-terminated Anglo-Japanese Alliance, namely, for Japan, the annexation of Korea, the possession of the Russian built South Manchuria Railway, Dairen Port, Port Arthur, Fushun Mines and other subsidiary works, the present military invasion of Manchuria and Jehol and their adjacent territories; for England, aggravation of her Crown Colonies—Australia, New Zealand and Canada, antagonizing Russia as resulted in her anti-British propaganda in 1926 in China and in her installation of the Five-Year Plan for reinstatement of herself as an industrial power in the Far East, China's sudden decision on rapprochement with Russia on account of Sir John Simon's address before the League's Assembly to side-track a definite move on the part of the smaller nations to take concrete action on the Manchurian issue, likelihood of another Anti-British Movement in China, Estrangement of Anglo-American relationship with regard to a common policy of peace and equal opportunities for trade in the Far East and concerning the war debts and reparations and finally the infliction of actual and potential loss in her investment in China plus an irreparable moral loss—loss of her national character as a sponsor of world peace and democracy but an enhancer of imperialism and an instigator of world war and disorder so what an impossible infirmity and a costly miscalculation whose legacy will be quietly and consistently an indicator of the forthcoming downfall of her own destiny as well as the break-down of modern civilization and I believe implicitly that in the last analysis nations realize their destinies more through what Bismarck called the imponderables than through ephemeral expedients of partisan advantage.

Just now Japan has two enemy armies—Russian and Chinese—and two rival navies—American and English—to cope with so it is tactically essential to Japan that she pleads for the renewal of this Anglo-Japanese Alliance at this time to eliminate one of the powerful contending forces against her on the high seas in case of such an

eventuality because, Japan taking advantage of the present day world situations—the world economic depression in general and Russia's and Germany's Plans for their internal readjustment and development politically and otherwise, the unprecedented economic depression in America, in particular to say nothing about the deplorable conditions in China on account of her domestic problems and of such catastrophes of nature as floods and drought in recent years—Japan has been preparing aggressively for a war against the world first by the possession of Manchuria because the last world war has taught Japan that food supply and mineral resources are just as vital as military prowess in war without which militant Germany bowed to the allies. Manchuria can supply what she will need in this coming world conflict. In so doing Japan has divided herself into three military districts, namely, North Kiushiu district, Kyoto-Osaka-Kobe district and Tokyo district attached with such war schemes as the improvement of communications, building up more airdromes in Formosa, new naval base at Formosa, large scale army, navy and air maneuvers in various parts of Japan, construction of an airdrome at Fukuyama opposite the Russian Vladivostok occupying 100,000 tsubo, thus accommodating fifty huge airbombers, establishment of a naval base at Port Arthur, buying arms abroad and keeping all the native arsenals working overtime—all of which is backed up by a new war budget ranging as follows: Yen 821,190,000 for defense, Yen 448,585,000 for army and for navy, Yen 372,605,000 which in all makes one third of the aggregate sum of Yen 2,239,325,000 for the 1933-1934 budget. As to the carrying out of this world war scheme it is the original plan of Japan to create the Manchukuo-Japanese economic bloc which converts Manchuria into a raw material supplying country and a virtual storehouse for Japan in case of economic isolation during the war period. In view of such gigantic Japanese preparations for a war against the world the foreign policy of Sir John Simon of England—a policy of drift and passive connivance at Japanese aggressions—manifestly belittles and exposes her naval strength and her naval inferiority to that of Japan as remarked by both American and French naval experts as such: Lieutenant-Commander Tinker of the American Navy has remarked that it is impossible for the British to fight the Japanese navy in Far Eastern waters. It may be a difficult fight for Britain even though she has an almost perfect tactical chain of forts and bases all the way from Gibraltar to Singapore and commands an enormous supplying organization and the largest mercantile fleet of any in the world but the French naval authorities apparently have a poorer opinion of Britain's naval position. Admiral Delage said that people were apt to dwell on the aggressive value of Singapore but what was its defensive value? If a Japanese fleet press near the fort and land a strong military force on the Malay Peninsula would the British navy be able to make its defense good? Would it be possible for Singapore to resist the furious onset of Japanese troops and strong air force?

(To be continued)

American-Born Chinese Woman Doctor Finances Air and Medical Corps

Sometime ago *The Review* reprinted from one of the Chinese newspapers that Chinese residents of California had organized a combined aviation and medical corps which was being sent to China for service at the Jehol front. It now develops (*Time Magazine*, March 20) that the combined air and medical corps which is being sent to China, together with several airplanes purchased in the United States, was promoted by a Chinese woman physician in California. Dr. Margaret Jesse Chung, promoter of the enterprise, is a native of Santa Barbara and received her medical degree from the University of Southern California in 1916. She first practiced medicine in Los Angeles, but later moved to San Francisco; however, still has an office in Hollywood. She developed great skill in treating the ills of movie-actors and officers and men of the U. S. Navy and has prospered. Her elaborate office and suite in San Francisco is lined with the photos of movie celebrities and Navy men who are her fast friends—and patients. Whenever a navy plane is wrecked the aviators always send the wings to Dr. Chung to decorate her rooms. Recently the troubles of her father's country began to prey on her mind, so she organized and financed the Chung Air and Medical Corps which is scheduled to arrive in Shanghai shortly.

"The Seaboard Route to the North"

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Through tickets are issued and passenger's baggage registered through between the important stations on the Peping-Liaoning Railway and the South Manchuria, Chosen (Korean) and Imperial Japanese Government Railways. At Peiping connections can be made with the Peping-Hankow Railway and with the Peping-Suiyuan Railway and at Tientsin connections can be made with the Tientsin-Pukow Railway, for Tsinanfu, Nanking and Shanghai.

For information as to rates, schedules, accommodations, etc. apply to any Tourist Bureau, or communicate directly with the Superintendent of Transportation.

IMPORTANT NOTICE

Owing to the Japanese occupation of Manchuria, tickets are only sold to Shanhaikwan where the Peping-Liaoning Railway crosses the Great Wall. The Chinese Government Railways assume no responsibility for transportation or safety of passengers beyond Shanhaikwan.

Peping-Liaoning Railway

Head Office

TIENTSIN

An Advertisement of the Chinese Government Railways

No. 2

Wang Ching-wei Urges Continued Resistance Against Japan

The following is the text of an interview given to the Kuo Min News Agency at Shanghai April 15 by Wang Ching-wei, Chairman of the Executive Yuan.

Question: There has been a great deal of talk lately about China and Japan coming to a compromise. Is there any truth in this matter?

Answer: Most certainly not. Any one with a modicum of common-sense should be able to distinguish between what are rumors and what are facts. How could China and Japan in the present circumstances possibly come to a compromise? Will Japan give up The Three Eastern Provinces and Jehol, abandon her present policy of aggression, and dissolve the puppet regime in so-called Manchukuo? Can China ever submit to the Japanese acts of aggression and recognise the puppet government? When Japan is not willing to give up her present policy, nor China submit to this policy, how can there ever be a compromise? How can there be direct negotiations between China and Japan?

Question: You have been advocating the policy of active, prolonged, resistance without closing the channels of diplomacy. Do you still uphold this policy?

Answer: Yes. In resisting we cannot be certain of victory. Nevertheless, we must do our utmost, and utilise all our available resources, however inadequate, in carrying out this policy of resistance. While it must be admitted that since General Chiang's assumption of the active direction of military affairs in the North, with the co-operation of the other military leaders, not much progress has been made in the military sense, the present situation in the North has nevertheless to a certain extent improved, as is generally recognized.

Fully determined to resist, we must however not be elated over occasional victories, nor discouraged by temporary reverses. Only in this spirit will our policy of prolonged resistance bear fruit.

As regards diplomacy, we have the recent decision of the League of Nations openly proclaiming Japan the aggressor and China the wronged party, a decision which was the result of our diplomatic efforts no less than the fruit of our policy of resistance. But whether the League of Nations will go further, and adopt the economic and military measures against Japan as provided for in the Covenant, we do not know. Such measures are the natural corollaries of the decision. Otherwise the resolutions of the League of Nations have no meaning, and will be just so much empty talk. On our part, therefore, we have, by the method of diplomacy, to bring the members of the League of Nations, and the rest of the civilised world, to a realisation of their responsibilities in the matter.

A Sense of Justice

Your reference to the recent rumors reminds me of what the Japanese newspapers have been advocating all along. Have you read them? Their argument is that since China is obstinate in her resistance, Japan should extend her military campaign to within the Great Wall. Can there be any truth in the current rumors considering what the Japanese are openly advocating in their own papers?

There is another thing. I have been told that a great many Japanese are not in favor of the present aggressive policy of their Government, on the ground—a very proper one—that a policy of aggression can only result in the ultimate ruination of both China and Japan. This shows that the sense of justice and fair play is still alive, even in Japan.

My opinion therefore is that, besides the most determined resistance on our part, we should direct our diplomatic efforts in arousing the nations of the world to adopting whatever effective measures are necessary to check the aggressive acts of Japan-gone-mad, while at the same time strengthening those sections of the Japanese people who are opposed to the suicidal policy of their present rulers.

Question: There is the impression among certain people that the Central Authorities are hostile to the suggestions dealing with the general question of war and peace, which have been recently submitted to them, with the result that numerous misunderstandings are alleged to have arisen even among the members of the Central Executive Committee of the Party and the Military Affairs Commission. What is the truth of the matter?

Answer: Should we, in the present circumstances, deviate from our declared policy of resistance and simultaneous resort to diplomacy, and, instead, advocate an open declaration of war, we may have to face a military defeat and suffer permanent territorial losses. Should we have to sue for peace, we are sure to suffer a loss of our national sovereignty and the most abject humiliation. Should we pursue a policy of procrastination and indecision, a policy of neither the one nor the other, we may have to face the evils pertaining to both war and peace.

In these circumstances, with pressure from all sides, the mental agony of those at the helm of the Central Government may be compared to that of a person forced to jump into a burning fire. While we are determined to face the present crisis—with our bodies slowly burning in the fire—how can it be true that we have refused to welcome those who are prepared to go through the same sufferings and tortures as we are going through. With what other feelings but those of encouragement and gratitude can we regard them?

We sincerely hope that those who have been summoned to the various conferences that will shortly take place, will come and attend; sharing and helping us out of our perplexities. The fact that some of our comrades, on account of their present duties, are unable to come, and at the same time are not in a position to express their views fully in writing (with the result that misunderstandings may arise), can only cause us the deepest regret. We are doing our best to make up for whatever deficiency there is. But we cannot bear to think that at the present hour of national crisis there are still people who, standing aloof, are light-hearted enough to make jest of our efforts. If there are such people, how can we help it.

Prior to the Incident of September 18, 1931, I have had many differences with a number of the comrades at Nanking, owing to my disagreement with various policies. But the emergence of the national crisis made me bury all these differences, and take my share in the common suffering. I returned from Europe not because I am sure that I am able to contribute to the salvation of the country, but because I feel that the least I can do is to jump into the fire so that I may at least find a fitting grave.

*
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Wang Ching-wei on the same date also issued a statement on the Sino-Japanese situation in which he gave a categorical denial to the report of a Sino-Japanese compromise. The following is a brief translation of his statement by the Shun Pao:—

"Recently rumors have been afloat regarding a possible rapproachment between China and Japan. Everybody with common-sense can tell that there is no foundation whatsoever for these reports. Japan refuses to give up Manchuria and Jehol while, under no conditions, will China recognize the puppet government in Manchuria. Since the views of the two countries are so opposed a compromise between China and Japan is impossible.

"The resistance against the Japanese invasion of China will be continued as is made evident by the fighting along the Great Wall. Although we cannot say that our resistance will be successful, at least we will do our best to preserve our national territory. We will continue our resistance, irrespective of the consequences.

"The League of Nations has already applied moral sanctions against Japan. Although we cannot say what will be the next step, it is but logical that the League should adopt military sanctions against Japan, because, unless moral sanctions are supported by military force, everything would be a failure.

"It is regrettable to note that the rumors spread in China and Japan differ so fundamentally. While in China we hear rumors about a Sino-Japanese compromise,

in Japan there is much talk of Japan pushing home her advance in North China. Let the Chinese pay attention to current opinion in Japan and come to their senses.

"In Japan, however, there are many people who are far-sighted enough to see the disastrous result of continued Japanese aggression against China. In their opinion, such a policy will end in the collapse of both China and Japan. The feeling in Japan should not be overlooked. Therefore, the best way to resist Japanese aggression is simultaneously:

1.—continue armed resistance;
2.—ask the world to exercise restraint on Japanese aggression; and
3.—arouse public opinion in Japan to oppose the actions of their militarists.

"Much has been said lately about the Government ignoring the opinions of others. In fact the Government is to-day finding itself in a dilemma. To resist may mean further loss of territory but to compromise will mean the certain subjugation of China. The Government leaders are virtually in a fiery furnace and they would be only too glad if some of their critics would like to share their fate. If these critics will come to the conferences in Nanking, the Government would be glad to welcome them. But if they refuse to come to participate and prefer merely to criticise the action of the Government at a distance nothing can be done. In my opinion, this time of national crisis is not the time for destructive criticism.

"It may be pointed out that, if the Nanking Government falls, the Government structure will collapse completely. If disaffected politicians think they can establish a government in the Southwest, Southeast or Northwest after the fall of the Nanking Government they are suffering from a pipe-dream."

Japanese Army Issues Figures on North China Casualties

(The following is a telegram dated Tientsin April 13, issued by the Japanese Information Bureau)

According to a recent Tokyo despatch the Japanese War Office is said to have published the following figures showing the total Japanese casualties from the beginning of the Mukden incident up to April 10, 1933, as follows:

Kwantung troops killed 1397, wounded 3275. Total 4672.

Chientao troops killed 29, wounded 73. Total 102.

Korean border troops killed 46, wounded 80. Total 126.

North China contingent killed 7, wounded 40. Total 47.

Total: Killed 1479, wounded 3468.
Grand Total 4947.

All these Japanese casualties numbering about 1500 have been enshrined in the Shintoist Temple in Tokyo, and their spirits will be worshipped by the whole of the Japanese nation, and a special memorial service will be held April 26 next not only in Tokyo but in other parts of the world where Japanese are living. The local Japanese authorities are also making preparations for this special ceremony.

On the other hand, owing to lack of census nobody knows the exact number of Chinese casualties during the present Sino-Japanese hostilities which might reach several scores of thousands, but it is a pity that the larger part of the Chinese soldiers of all ranks who were killed on the battlefield are reported to have been abandoned when the Chinese troops retreated, and nobody was left to take care of them.

Nantao Automatic Telephone Starts Operation

The automatic telephone system, recently installed in Nantao and Chapei (Shanghai suburbs) by the Chinese Government Telephone Administration, commenced operations end of last week. To facilitate telephonic communication between subscribers in Nantao and Chapei, the telephone administration has arranged with the Shanghai Telephone Company in the Settlement for the lease of additional connecting lines.

The agreement over the installation of telephones on the extra-Settlement roads was signed April 18. It provides that the Greater Shanghai Telephone Bureau shall increase the telephone rate after the introduction of the automatic system and the Shanghai Company shall collect from subscribers on the extra-Settlement roads a fee of $60 per annum on behalf of the Chinese administration.

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How Hitler Rose to Become Dictator of Germany

(Chicago Tribune, March 22)

Fourteen years ago Adolf Hitler was practically unknown. Nine years ago he achieved a dubious kind of fame by precipitating with Gen. Erich Ludendorff the ill fated Bavarian "putsch," conceived in a Munich beer cellar. Five years ago he was the little known leader of a National Socialist party which had a puny representation of twelve in the reichstag.

Today this 43 year old Austrian born "house painter," with the dark scowl and the Charlie Chaplin mustache, rules Germany as both chancellor and virtual dictator.

Hitler was born of middle class parents in 1889—the year after Kaiser Wilhelm II. was coronated. Orphaned early in his 'teens, Hitler began to shift for himself in Vienna.

He balked at entering the Austrian compulsory military service and left for Munich. When the war broke out Hitler, then 25, enlisted in the German army. He was gassed and was awarded the iron cross.

The National Socialist party was born in 1919 as the Labor party. Hitler, the seventh member, was elected head of the propaganda department. Under his personal magnetism and his passionate oratory the party prospered.

Four years later the party, boasting a membership of 30,000, began to "feel its strength." Led by Hitler, it embarked on the Bavarian putsch and Hitler was jailed. His sentence was brief and Hitler emerged early in 1925. Significantly, it is told that the warden bade his prisoner good-by by saying.

"I, too, Herr Hitler, am now a Nazi."

Then began in earnest the building of the National Socialist party throughout the nation. Playing upon every conceivable kind of prejudice, Hitler constructed his Nazi institution out of such emotional appeals as revision of the Versailles treaty, hatred of Jews, capitalism, and poverty.

National Socialism, preached Hitler, would scrap the Versailles treaty, rearm Germany, restore territory lost in the war, end reparation payments and elevate Germany again to its front rank among nations.

National Socialism, he cried, would segregate Jews from persons of other faiths. The Jews were to pay higher taxes, have special baths, and were to be barred from public office. In short, National Socialism would drive Jewry from the country.

National Socialism, Hitler added, would abolish certain forms of interest, destroy the capital hoarded in banks and give the workers a square deal. Mortgage interest and land speculation would be abolished to aid the farmers. National Socialism would assure every German work and bread, he said.

Thus, National Socialism became not a party but a religious movement. Hitler was hailed as Germany's savior. His followers became semi-fanatical in their adoration.

Then came the Nazi storm troops, a semi-military organization composed of youths. It gave them something to do when jobs were scarce.

At first, however, Hitler's movement grew slowly. Germany, still receiving heavy loans from American bankers, appeared to be prospering. In 1928 only twelve Nazi deputies sat in the reichstag.

When loans ceased and the depression settled over the reich, Hitler's speeches began to take effect. His rise to power had begun. In 1930 the Nazis had 107 seats in the reichstag and ranked as the second largest party. At the reichstag election on March 5, this year, the Nazis won 288 seats out of a total of 647. Hitler's party received nearly 18,000,000 votes. His party became the strongest.

Hitler became chancellor last January 30 after having been turned down twice last year. Once in the saddle, with the Nationalists supporting him, he consolidated his position.

In the less than two months there were the following developments:

Communist and Socialist deputies were imprisoned. Many civil liberties were abolished. All newspapers were under rigid censorship and communist and Socialist newspapers were muzzled. Jewish citizens were attacked by Nazis. Stores owned by Jews were picketed. Jewish judges and prosecutors were demoted or discharged. Many Jews fled to other lands. Prof. Albert Einstein, whose home was raided, said he would not return to live under Hitler's régime.

Nazi officials control all German states and practically every important town and city. The republican flag has been discarded for a new flag which combines the imperial black, white and red with the Nazi swastika emblem.

Nazi storm troops have been armed as auxiliary police. Armed storm troops occupied three cities in the demilitarized Rhineland, alarming France and contributing to the European war scare. Hitler is now ready to instruct the reichstag to abdicate and turn over dictatorial powers to his government.

Chen Admits Opposing Kuomintang But Denies Endangering the Republic

Making bold confessions before Judge Hu Shanching at the Nanking District Court, Chen Tu-hsiu, leader of the Trotsky faction of the Chinese Communist Party, whose trial was officially opened at Nanking on April 14 after the elapse of almost a year following his arrest in Shanghai, admitted that he was opposed to the Kuomintang rule, but challenged the prosecution to prove that he had been guilty of actions calculated to endanger the Republic.

On the eve of the opening of the trial, Mr. Chen, who is an excellent Chinese scholar, wrote a 6,000 word petition in defense of himself and in refutation of the charges preferred against him by the prosecution. Asking for an acquittal, Chen claimed that he had devoted his whole life to the cause of the Nation. He had struggled, he contended, first against the Manchus; then against the Peiyang Militarists, the feudalistic regime and the alien Imperialists. Before the May 4 Student Movement of 1915, Chen said, he had dedicated himself to the awakening of the intellectuals; after that epoch-making Student Movement, he turned his attention to the woes of the peasants and laborers. While admitting that he had organised the Chinese Communist Party, he claimed however that this was done in what he honestly believed to be the interests of the nation. He concluded his petition with a plea of acquittal of all the charges and a demand on the Government to compsensate him for the loss of time and damages to health he had sustained as a result of his arrest and detention.

Judge Hu, who is Chief of the Criminal Section of the Kiangsu High Court, presided over the trial, assisted by two other judges, while procurator Chu Chen, also of the Kiangsu High Court, conducted the prosecution. The accused is being defended by Chang Shih-chao, formerly Minister of Justice in the Peking Regime and now a legal practitioner in Shanghai. Concurrent with his trial is the prosecution of nine other alleged communists, three of whom were arrested at the same time with Mr. Chen at Shanghai.

Opening the case for the prosecution, procurator Chu Chen outlined the facts and charged the accused with violation of Art. 6 of the "Law Governing Emergency Punishment of Crimes Endangering the State" for alleged formation of organizations with the object of subverting the Republic. Mr. Chen, who was the first interrogated by the Court, admitted that he organised the Chinese Communist Party. He said that after being elected Secretary-General or Chairman of the Party in 1927, he was subsequently expelled from the Party owing to differences of opinion. He confessed that he was a member of the Trotsky faction and had edited the two Communist publications "Sparks" and "School Life," but denied that his faction had any connection with the Third Internationale. He said that members of his faction were rather few in number, most of them being laborers.

Replying to questions from the Bench, he said that the aim of the Trotsky Faction was to relieve the masses of their sufferings and expressed the opinion that there can be no compromise between the Communists and Capitalists. In view of the prevailing circumstances in China, he continued, it was as yet impossible to organise a Chinese Red Army. While he admitted that in order to wrest the reigns of Government, any revolutionary party must have recourse to armed violence, just as the rise of the Kuomintang to power was achieved by force, he denied however that he and his comrades were in the least connected with the Red Bandits in Hunan, Hupeh and Kiangsi; pointing out that in his opinion,

the time for armed violence had not yet arrived. At the second trial held on the 15th, the Court put to the accused and his comrade Peng Shih-chih point-blank the following question: "Is it the ultimate object of the Trotsky Faction of the Communist Party to overthrow the Kuomintang and the National Government and to establish a dictatorship of the peasants and workers?" Unperturbed by the bluntness of the question, the two accused made an emphatic answer in the affirmative: "Of course, it is."

The nine other communists tried before the Nanking Court were Peng Shih-chih, Po I-fan, Wang Wu (alias Sung Peng-chun), Wang Tzu-ping, Ho Ah-fang, Wang Chao-chun, Kuo Ching-jao (Alias Peng Tao-chih), Liang Yu-kuang and Wang Chien-tang. Some of the accused admitted being members of the communist party, but others denied having any connection with it.

The hearing of the case was adjourned until the morning of the 20th when officials of the Greater Shanghai Public Safety Bureau who are responsible for the arrest of Chen and other accused, will be called to give testimony.

Chinese to Combat Japanese "Dumping"

One of the objects of the "anti-dumping" tax, the law for which is now being drafted at Nanking will be to combat the "dumping" of Japanese products in the Chinese market, according to a statement by Chang I-ou, Director of the Department of Commerce of the Ministry of Industry. The Japanese are devising new methods to recapture the Chinese market, Mr. Chang says, and are now making tempting offers to merchants in China in the form of long-term credits. Protection for Chinese producers against Japanese competition is to be given through the imposition of the "dumping" tax.

Exemption of silk cocoons from all taxes and levies in order to relieve this rapidly declining industry was urged recently by the Kiangsu and Chekiang Silk Cocoon Producers' Guild in a recent petition to the Ministry of Finance. The petition declares that owing to the "dumping" by Japan of her surplus silk, native silk is virtually being driven out of the market.

Japanese Seamen Want Chinese Removed from D. K. K. Boats

When the s.s. *Canadian Signal*, one of the second hand boats purchased by the Dairen Kisen Kaisha arrived in Dairen April 14, a labor dispute broke out between the management of the steamship line and the Japanese Seamen's Union, which demanded the discharge of all Chinese seamen. When the Ministry of Overseas Affairs permitted the D.K.K.'s purchase of foreign boats, the Overseas Minister announced that the purpose of the purchase was to relieve unemployed Japanese seamen. The Japanese union has demands the discharge of all Chinese seamen.

Mexico Discriminates Against Chinese

The Ministry of Foreign Affairs at Nanking recently received several telegrams from Chinese nationals in Mexico, Peru, and other South American countries, reporting that they are suffering from discriminative treatment in said countries and that the Governments concerned threaten to deport them in the near future.

Reports from Mexico show that as result of the anti-Chinese movement in that country, the Chinese population has been reduced from 50,000 to 30,000. Two provinces in particular have been conducting a violent anti-Chinese campaign.

Military Organization of Japanese Community

The Chinese papers report that the Japanese Ex-Service Men's Club in Shanghai has been reorganized. All Japanese subjects who have been in military service are required to join it. The head office is to be established at the northern terminus of North Szechuen Road. Four branches are to be organized at different places in Hongkew. According to the new scheme all Japanese nationals in Shanghai under the age of fifty are required to enlist in the "Informal Army" which will be organized in Shanghai.

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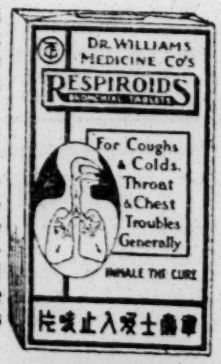

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Men and Events

Andrew G. Fioratos, a Harbin business man of Greek nationality, is spending several weeks in Shanghai.

G. S. Kirkland, factory representative of Corbin Lock Company, has returned to Shanghai from a business trip to Manila.

Joseph Kelley, a Democrat, was elected by the City Council of Chicago April 14 as mayor to succeed the late Anton Cermak.

Dr. Frank Haughwort of Manila is visiting in Shanghai and is the guest of W. R. Johnson of the Tobacco Products Corporation.

Dmitri Bogomolov, new Soviet Ambassador to China, arrived in Tokyo April 14. He is expected to arrive in Shanghai April 23.

Baron Jules Guillaume, the new Belgian Minister to China presented his credentials at 10 a.m. to President Lin Sen at Nanking April 15.

A reception was announced to be given by the social committee in honor of new members at the Shanghai Community Church, April 21 at 8.30 p.m.

The appointment of Frank Murphy, formerly Mayor of Detroit, as Governor-General of the Philippine Islands, was confirmed by the U. S. Senate April 15.

Hugh Black, manager of the Tientsin office of the American Foreign Insurance Association, has arrived in Shanghai on his way home to the United States on leave.

Carl Neprud, Acting Appraising Commissioner of the Maritime Customs, departed this week for the United States on home leave. He was accompanied by his family.

Dr. John C. Ferguson was schedu'ed to deliver a lecture before the North China Branch of the Royal Asiatic Society April 20 on "Noted Porcelains of Successive Dynasties."

Discussions are proceeding at Nanking between the Ministries of Industry and Finance relative to the proposed increase of import duties on foreign coal as a means of protecting the Chinese coal industry.

Miss Maryse Hilze, French aviatrix, made a successful flight from Paris, leaving there April 1, to Tokyo, arriving there April 16. She arrived in Shanghai April 14, and departed for Seoul the following day.

A. J. P. Coghlan, retiring Assistant Commissioner of Police, of the Shanghai Foreign Municipality, departed from Shanghai end of last week to return to England, after 25 years in the police service here.

A Changchun telegram April 17 stated that the Manchukuo Ministry of Finance is making preparations for placing an embargo on the export of gold and establishing the principle of state purchase of gold.

Judge Purdy granted an interlocutory decree in the U. S. Court for China April 15 in a divorce action brought by Mrs. Wilma Mendon Benner against her husband Harold Benner, who did not defend the action.

Out of a total of imports of Yen 26,947,000 into Manchukuo during February, the United States is credited with $3 247,000, China ("Proper") with $4,827 000, and Japan, $22,749,000, a recent Changchun message stated.

Tenders will shortly be invited for the reconstruction of the North Railway Station in Shanghai, which was destroyed during the Shanghai War last year. It is calculated that a minimum sum of $40,000 will be required.

The Shanghai American School held "open house" at the meeting of the Parent Teachers' Association Thursday, April 20, when J. S. Potter, Chairman of the Building and Grounds Committee and Consul-General Cunningham made brief addresses.

A Japanese messenger from Peiping April 4 reported that Marshal Chang Hsueh-liang had disposed of his two luxurious Ford airplanes before leaving for Europe. It was stated that he has given one to T. V. Soong and the other to General Chiang Kai-shek.

A combination of British, Netherlands and American capital will shortly develop oil fields in New Guinea provided the negotiations at present in progress between the Government of the Netherlands East Indies and the Batavian Petroleum Co. are successful.

Mrs. Maurice Regad, nee Lucie Lee Ti-tai, was given a suspended sentence of two years in the 14th Correctional Court in Paris April 13 for shooting and wounding her rival in love, Mme. Faerber. Miss Lee married M. Regad in Shanghai in 1928 and went with him to Paris.

Two British officers on a Chinese Customs cruiser which went aground near Macao April 17 were killed when pirates attacked the stranded vessel and fired a fusillade.

By a recent order of the Commander-in-Chief's Headquarters of the Honan-Hupeh-Anhwei Bandit-suppression Forces, extirpation of the opium evil in the provinces of Honan, Hupeh, Anhwei and Kiangsi must be effected within six months.

Mr. Yoshizawa, former Minister to China, on arrival in Dairen April 17 stated that the prospects of a speedy peace between China and Japan were remote and that the feeling against Japan was much stronger in the south than in north China.

King George April 13 confirmed the verdict of five years imprisonment on Lieutenant Norman Baillie-Stewart who was convicted recently of violating the official secrets act. He was a 24-year old officer in the Seaforth Highlanders and was graduated with honors from Sandhurst.

The appeal of Marquis Li Quo-chieh, deposed general manager of the China Merchants Steam Navigation Company, against the three-year sentence of imprisonment by the Shanghai District Court, in connection with a loan made by the China Realty Co. will be heard at a special session of the Kiangsu High Court April 26.

James Dolan, formerly engaged in the hide and skin export business in China has returned to Shanghai as the representative of the American National Casket Company, manufacturers of coffins, grave vaults and funeral equipment. After leaving China Mr. Dolan was engaged in business in Germany and Turkey.

Chang Ming, former Chinese Government Special Envoy to Nepal and at present counsellor to the Military Affairs Commission of the National Government, has just returned to Shanghai from a trip of inspection to the front in the North. After a brief stay here he will proceed to Nanchang to report to Gen. Chiang Kai-shek.

Investigations made by Soviet scientific workers have confirmed, according to a *Tass* message, that the Chinese remedy made from the antlers of the Siberian stag, and used in this country for centuries, has valuable curative powers, particularly in facilitating the healing of prurient wounds.

A program for the reception of members of the Philippine Trade Mission, who are due at Nanking on April 24, on their return from Japan has been prepared by representatives of the Ministries of Industry, Communications, Foreign Affairs, Education, and Railways, and the Nanking Municipal Government.

H. W. Klovekorn of the Shanghai Telephone Company is probably the first Shanghai resident to talk across the Pacific by wireless telephone. While in Manila recently Mr. Klovekorn talked to his parents in New York. He stated that the new telephone system in Manila was very popular not only between Manila and America but also with various parts of Europe.

Major Chester Gawne, accompanied by Mrs. Gawne, arrived in Shanghai this week to join the U. S. Marine Corps. Major Gawne was in China previously as Marine Officer with Admiral Williams. Since returning to the United States he served as an instructor at the Marine school at Quantico. He will serve as regimental operator and law officer with the Marine regiment here.

Six bandits raided the offices of a Chinese firm in the Fuchiatien (Harbin) district April 5 and enriched themselves to the extent of $60,000 after herding all the employees into the basement. After they had secured their loot they telephoned a garage in a leisurely fashion for two cars in which they subsequently made their escape.

Commodore H. T. Baillie-Grohman, chief of the British Naval Mission in Nanking, addressed the Shanghai Y. Men's Club at tiffin April 10. Amongst those present were Admiral H. Y. Chen, Col. Thoms, and Commander K. H. Yin. W. Yinson Lee introduced the speaker, who among other things said that "unless you are prepared to put money into it you cannot have a good navy. That is especially the case out here. That is one of our great difficulties, lack of funds."

Three British Mercantile Marine Officers Are "Hi-Jacked"

The three British mercantile marine officers kidnapped at Newchwang March 29, have suffered what is known in America as "hi-jacking," that is the gang of pirates who were holding them was set on by a rival gang, the newcomers killing several of the original raiders including their leader. The "hi-jackers" thereupon carried off their foreign captives to a new unknown destination.

Who's Who in China

Maj-Gen. Ho Chu-kuo, Commander of 57th Army; born at Yung-hsien, Kwangsi, 1896; graduate of Japanese Military Officers' College, Tokyo; instructor at the Paoting Military Officers' College and the Mukden Military Training School with the rank of Colonel; chief of staff office of the Headquarters of the Inspector-General of the First and Third Allied Armies (Fengtien) under the late Marshal Chang Tso-lin; Commander of 45th Regiment of the Independent 45th Infantry Brigade of the Fengtien Army; Garrison Commander of Kaifeng, Honan; Commander of the 9th Independent Brigade of the 23rd Division of the Northeastern Army and concurrently Garrison Commander of Linyung (Shanhaikwan and Yungping); when the Japanese invaded Shanhaikwan at the beginning of the year, he valiantly defended that Great Pass and fought against the Japanese for three successive days and nights, but was finally forced to abandon it under the combined pressure of the enemy's Land, Navy and Air Forces; in recognition of his meritorious services in opposing the Japanese invaders, he has been recently promoted Commander of 57th Army by the National Government and is now charged with the defense of the territory west of Shanhaikwan with Headquarters in Lwanchow; author of a book on cavalry tactics; address: Headquarters of the 57th Army, Lwanchow, Hopei.

何柱國

Maj-Gen. Ho Chu-kuo

陸軍中將何柱國，年三十七歲，廣西容縣人，日本士官學校畢業，歷充保定軍官學校騎兵少校隊長，講武堂上校教官，一三聯軍總監部參謀主任，獨立四十五旅步兵四十五團團長，開封警備司令，第二十三師師長，獨立第九旅旅長，臨永警備司令，以鎮守山海關抗戰日軍之勛績，現經國民政府任爲陸軍第五十七軍軍長，著有騎兵陣中要務令一書行世，

White Russian General Challenges General Graves to Duel

Lieut. Gen. Konstantin Sakharoff, formerly a commander under Koltchak in Siberia from 1917 to 1920, has challenged Maj. Gen. W. S. Graves, U. S. Army, retired, to a duel. Gen. Sakharoff still claims to be a leader of White Russians and at present is a resident of Vienna. In a letter from Vienna dateh Feb. 21, Gen. Sakharoff charged that Gen. Graves sympathized with the Bolshevists and prevented the "rightful Russian cause" to come into effect. He also charged that Gen. Graves, in his book, "America's Siberian Adventure," misrepresented the Koltchak efforts, stating that Koltchak was betrayed by the Czechs and went to his death like a hero "while Gen. Graves observed benevolent neutrality." In concluding his letter Gen. Sakharoff called the Commander of the American Siberian intervention a "liar, hypocrite and ignoble confederate of traitors and criminals.... I am ready to meet you in a duel in any country where duels are permitted by law."

Gen. Graves, when shown a press copy of Gen. Sakharoff's letter, remarked, "It is amusing, but I won't do anything about it."

Who's Who in China

(Supplement to the Standard Edition)

There will be published shortly a supplement to the standard book, "Who's Who in China," which will contain some 200 biographical sketches of Chinese men and women who have come into prominence since the Fourth Edition (1931) was issued. It also will contain revisions of some of the sketches which appeared in the Fourth Edition.

For example, the Supplement will contain the pictures and sketches of several leaders who have come into prominence as a result of the Sino-Japanese conflict, such as Generals Tsai Ting-kai, Chiang Kwang-nai and Oung Chao-wan of the 19th Route Army, Chang Chih-chung of the 5th Army; Ma Chan-shan, Su Ping-wen and Li Tu of the Manchurian campaign; Sung Chih-yuan of Chahar, Han Fu-chu of Shantung, Yu Hsueh-chung of Hopei, Chu Ching-lan of the Volunteers, etc., etc., etc.

For those who possess a copy of the last, or Fourth Edition, a copy of the Supplement, is indispensable.

READY FOR DISTRIBUTION ABOUT JUNE 1.

No office, home, school or public library is complete without **Who's Who in China,** containing the pictures and biographical sketches of most of China's leaders in the fields of politics, business, education and the other professions. In addition to a record of their careers, it also contains their latest addresses, matters of vital importance to those who would keep up with events in China and the Far East.

The prices, including postage, for the Supplement as well as the standard edition are as follows:

	(In China)	(Abroad)
Supplement	$ 2.50	G.$1.00
Standard Fourth Edition (1931)	10.00	4.00
Both books	11.50	4.50

Send orders with check or postal order to the undersigned,

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Shanghai.

New Books of Interest in the Far East

An Interesting Historical Study of Nanking

Sketches of Nanking. Published by the Literary Section of the Nanking Woman's Club. Revised Edition, 1933. Price $2.00.

This little volume of 62 pages on Nanking by the Literary Section of the Nanking Women's Club is a timely and welcome contribution to the scanty literatures on this historical and picturesque city on the Yangtsze, now for the eleventh time Capital of China in its long history. The booklet was first published in 1923 consisting of a series of papers prepared by members of the Club; the present volume is the second and revised edition with enriched contents. As an interesting feature of the book, it is accompanied by a number of maps and illustrations showing the high-lights of the city. In addition to its value as a historical study, the book is also an excellent

The Drum Tower—A Living Symbol of Nanking's Past

guide-book which would prove invaluable to travellers and visitors to Nanking and indispensable to a curious examiner of the city's past.

As well epitomised at the beginning of the volume, Nanking has had a long and eventful history, periods of glory and pomp alternating with eras of eclipse and tragedy. It has been the Capital of forty eight emperors of nine separate Dynasties, covering a total of some four hundred years. The city has been known by at least eighteen different names; Nanking, the present name, was not adopted until as late as 1420 in the reign of Emperor Yung Lo, third Emperor of the Ming Dynasty. During this long period, the city has had experienced many vicissitudes of fortune. At times when its glory was at the highest, its name spread far and wide and attracted to its Courts embassies and tribute bearers from the banks of Ganges and from Punjab and Rome. It was the center of culture and education of the vast Chinese Empire whose civilizing influence radiated in all directions. But, unfortunately, these periods were emphemeral as compared with its extended history which, as events have proved is largely a record of long succession of terrible disasters, both human and natural. The city twice suffered almost complete annihilation, once at the end of sixth century when conquerors literally razed it to the ground and a second time when Nanking was held by the Taipings. These two terrible blows of fate have obliberated the hundreds of palaces and temples which once adorned the city but the traces of which nowadays consist of nothing but dry note in history. Despite its long past, the city's history was largely made by a series of Great Individuals who built and destroyed it in turns. On its constructive side, the names of such illustrous Emperors, as Wu Ta Ti, Founder of Kingdom of Wu during the Period of Three Kingdoms, Liang Wu Ti of the Kingdom of Liang during the eventful Six Dynasties and Chu Hung Wu, founder and first Emperor of the Bright Ming Dynasty will be remembered with awe and admiration. It was during the reign of Liang Wu Ti that Buddhism was first introduced into Nanking and prospered, marked by the building of the hundreds of temples. It is an irony of fate and a rebuke against Buddhism that the good Emperor Liang Wu Ti, who was so devoted to the religion, instead of being favored by the graces of his patrons Buddhas, died a victim of that faith. The tragic end of the Great Emperor has formed subject of lamentation of many distinguished poet who mourned the past of the city.

The "New Nanking" which forms the subject of the second section of the Book is still in the making despite the marked progress which it has made during the past few years in road development and building construction. Many ambitious projects as yet remain paper plans, pending materialization. Of the New Nanking, the following passage from the book seems to be a very accurate description: "Nanking today seems symbolical of China, torn up, urgly in spots, part modern and western and part medieaval and oriental with some of the restful beauty left in its ancient tombs and temples and some of the vagorous beauty of the present in its stadium and roads: the whole unfinished, growing, struggling to build out of the old something greater and better adapted the new day."

The description of the historical spots both inside and outside the Walled city is of absorbing interest and enlightening to visitors. The city being so much filled with relics of the past, it is indeed no exaggeration to say that little piece of brick or stone in the vast city has had a history behind it deserving of study. Of the major and outstanding objects, the magnificent Ming tombs, the massive city walls, the imposing gate entrances, the picturesque temples nestled on mountain slopes, the exquisitively-carved stone Lions of the Liangs, the inscribed columns and tablets, the low crowning Drum Tower, the Chin-Huai Canal over which floated the excursion boats with flowery maiden entertainers, the lakes which once witnessed naval reviews—all stand today as significant symbols of a glorious and evenful past. Without a historical understanding, all these places would appear meaningless; but with the explanations as given in this book, they at once arouse curiosity and become interesting objects of study. Adding to this long list of of historical spots of the city, mention must be made of the latest, but most magnificent and perhaps also the most enduring monument of the Republican Era, the imposing Mausoleum of the Founder of the Republic, Dr. Sun Yat-sen on the slope of the Purple Mountain. It is the Mecca of Nanking of today, just as the Ming Tombs were in the immediate past.

The book contains a number of direct quotations from such well-known works as Pere Gaillard's Apercu Historique de Nankin, Dr. William's China: Today and Yesterday, Prof. MacNair's Modern History of China and few others. In particular, the several passages on the development of Buddhism in Nanking and expounding the principles of Taoism are interesting, instructive and enlightening. The volume, as a whole, is a fine performance, well-printed and well-illustrated. But in some parts, it appears that there have been either mis-prints or confusions of history or inaccuracies in description. For example, on Page 3, the second para. reads: "Tsao Tsao, ruler of the Wei Kingdom,—sent his General Sun Chuan to conquer the turbulent provinces along the Yangtsze River." According to history, Sun Chuan never did serve under that disreputable though admittedly able statesman of his time, Tsao Tsao, who himself by the way would be more acurately described as the founder but not ruler of the Wei Kingdom. Sun was the founder of the Wu Kingdom with Nanking as Capital and as a matter of fact, he fought against and defeated Tsao Tsao in the famous battle of Red Cliff off Wuchang. For historical accuracy, it would seem more fitting to describe him as a rival of Tsao Tsao rather than his rebel-underling. On Page 6, in reference to the religious devotion of Liang Wu Ti, an apparent mis-print appears in Para. 3 "the independent spirit of Wu Ta Ti—"—Wu Ta Ti should have been Liang Wu Ti. On Page 28, in the description of Kuan Ti Miao or Temple of Kuan Yu, the account has Liu Pei as King of Wei, while history records him as King of Shu Han—a distant descendant of the lawful Han Dynasty and the word Shu denoting what is now called the province of Szechuan. Also, it is inacurate to say that Kuan Yu, the War God of China, was killed while leading an expedition against Nanking. The good and revered general was ambushed by Sun Chuan's troops at Chinchow in Hupeh province and fell in action there. On Page 36, the reference to the great Ming Statesman and scholar Fang Hsiao Ju as one of the Ming Generals is

also a mis-description. A few other mis-spellings and omissions appeared elsewhere in the book.

C. H. HOH.

Will the United States Recognize the Soviets?

Discussing the outlook for Soviet-American relations Vera Micheles Dean in *Foreign Policy Reports* (March 15) says that if the Roosevelt administration should decide to recognize the Soviet government, the procedure of recognition may be expected to create considerable divergence of opinion. The view has been expressed in some quarters that the United States, through preliminary negotiations, should obtain assurances that the Soviet government will settle outstanding debts and will not use diplomatic and consular offices in America for Communist propaganda. However, continues the author, if the Soviet Union, in the course of these negotiations, demonstrates its willingness and ability to fulfill international obligations, the traditional American requirements for recognition would presumably be satisfied, and the United States could formally recognize the Soviet Government.

Recent Pamphlets Received

"Toward Planetism" in the name of a brochure recently issued by the San Yu Press, Peiping, written by Roger R. Hawkins, who states that his views are an "explorative attempt at viewing Human Problems and Goals in the light of a possible Method and Plan for doing something about them."

An editoral on "Medical Work in Manchuria" in the February issue of the *Chinese Medical Journal* pays a high tribute to the work done in that region by Dr. Wu Len-teh, dating back to the time in 1910 when he organized measures to combat pneumonic plague. The article scouts the idea that Japanese army surgeons took the lead in the prevention of epidemic diseases in that region.

READERS of *The China Weekly Review* who may be interested in obtaining copies of any books which have been reviewed in these columns, may obtain them by sending their orders in care of *The Review*....If obtainable in Shanghai the books will be mailed immediately at retail prices prevailing in Shanghai, plus postage, or if not obtainable here, they will be ordered from the publishers abroad. Send orders or inquiries to Book Editor, *The China Weekly Review*, 38 Avenue Edward VII, Shanghai.

Mrs. Pearl Buck Faces Removal from Presbyterian Board

Mrs. Pearl Buck, author of "The Good Earth" and other novels dealing with Chinese life, faces removal from her position with the Presbyterian Board of Foreign Missions. The removal is based on an article written by Mrs. Buck for *Harper's Magazine* in January dealing with the general missionary movement in the Far East and the evangelistic methods used.

In that article, Mrs. Buck differed with the fundamentalist doctrines of the Presbyterian Church and its Mission board, in regard to the matter of salvation. Mrs. Buck declared a disbelief in the teachings that the races of the East would by "damned" unless they accepted the Christian faith.

Mrs Buck has refused to give ground or to retract any of the statememts made in her writings or addresses.

Mrs. Buck's article was entitled "Is There a Case for Foreign Missions?" and it posed frankly a number of questions which had been put to the writer by those critical of China missionary enterprise. They included such queries as: "Do you think foreign missions are worth giving money to?" "Don't you think it is really an insult to send our missionaries to foreign countries to preach when we cannot live what we preach ourselves?" "Don't you think we had better stay at home and attend to our own affairs and our own starving people before we give to other peoples?"

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Add 25-cts. for postage in China or $1.40 if to be mailed abroad.

THE CHINA WEEKLY REVIEW

38 Avenue Edward VII
Shanghai

In the United States Court for China

HELEN BRYANT,
Plaintiff,
vs.
CLYDE BRYANT
Defendant.

Cause No. 3529
Civil No. 1593
ORDER
Filed at Shanghai, China
April 5, 1933
L. T. Kenake,
Asst. Clerk

The object of this suit is an action for Divorce

WHEREAS, plaintiff herein, by her attorneys, has this 3rd day of April, 1933, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 3rd day of April, 1933, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 3rd day of April, 1933, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein, and that defendant's last known address was c/o American Mail Line, Seattle, Washington, U. S. A.

NOW, THEREFORE, it is this 5th day of April, 1933, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the CHINA WEEKLY REVIEW, Shanghai, China, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 22nd day of April, 1933, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,

this 5th day of April, 1933.

MILTON D. PURDY.

Judge.

In the United States Court for China

In re.
Estate
of
FRANK JAMES MOORE
Deceased.

Cause No.

Special Proceedings No. 138

NOTICE

Pursuant to an Order of said Court notice is hereby given to all presons having claims against the estate of FRANK JAMES MOORE, deceased, to present the same with vouchers to the undersigned on or before 8th April 1933, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

R. R. SMITH
Administrator.
6, Soochow Road, Shanghai.

SHANGHAI, CHINA,
24th March 1933.

Dr. H. H. Kung Installed as Governor of Central Bank

Dr. H. H. Kung, former Minister of Industry, who recently returned to China after an industrial and commercial investigation trip to Europe and America, assumed his new post as governor of the Central Bank of China April 15. T. V. Soong, Minister of Finance, whom Dr. Kung succeeds as head of the bank, was present at the ceremony of handing the seal of office to Dr. Kung on behalf of the national government.

Dr. H. H. Kung

Dr. Tsai Yuen-pei, who represented the Central Kuomintang at the ceremony, pointed out that the Central Bank of China, being a state bank, is different from the ordinary banks which are run for the purposes of making profits only, and it should devote itself to the task of solidifying the economic foundation of the country. Dr. Tsai mentioned the impending breakdown of rural economy in the country and declared that it is a problem which the Central Bank of China should tackle first.

Dr. Kung made an appropriate reply and exhorted his subordinates to co-operate with him in maintaining the good credit of the bank and extending its operations.

Dr. Kung is a graduate of Yale University and Oberlin College. He participated in the first revolution in 1911, which overthrew the Manchu regime, being in command of the Volunteers of Shansi. Upon the establishment of the Republic, he introduced many reforms into Shansi. Following the Washington Conference when Shantung was returned by Japan to China, he served as Chief of the Industrial Department of the Shantung Rehabilitation Commission. Upon the conclusion of this important commission, he was appointed Resident Director of the Sino-Russian Negotiations. When Dr. Sun Yat-sen set up his military government in Canton, Dr. Kung became Finance Commissioner of the Provincial Government of Kwangtung, hoding concurrently the office of Minister of Finance as well as Minister of Industry of the Nationalist Government. In 1927 when the Nationalist Government was formally inaugurated in Nanking, he was made the first Minister of Industry, Commerce and Labor, which office he held up to December 1930, when the ministries of Industry, Commerce and Labor and of Agriculture and Mining were amalgamated into the Ministry of Industries and he was appointed Minister of the same.

Japanese Girls Complain of Treatment in Harbin Hotel

Thirty-three graduates of Japanese girls' middle schools recently proceeded to Harbin on a contract to work in the Asiatic Hotel there. According to the *Japan Advertiser* of April 9, 18 of them called at the Japanese police station in the river district of Harbin and requested the authorities to find work for them. The girls charge that they were engaged as "office workers" but that from the day they landed at Dairen they were forced to put on heavy make-up and treated like geishas in the opening celebration. The management of the hotel is credited with the following statement: "We never lied to them and it should have been apparent from the beginning that the hotel could not possibly have use for 30 girls solely for office work."

China's Foreign Trade in 1932

BY HO PING-YIN
Director of the Bureau of Foreign Trade

(Reprinted from the People's Tribune)

The effects of the world economic depression have been as keenly felt in China as in other countries. This is shown by the enormous drop in the volume of China's foreign trade. The unprecedented fall in silver prices would have been of immense advantage to her export trade, and if peace had obtained at home, she would easily have been able to establish the nation on a firm foundation and assure its rapid and extensive industrial development. Unfortunately, China suffered heavily in 1931 from most disastrous floods which affected almost every province, and before she had even recovered from their effects came the Mukden and Shanghai "Incidents" of September 18, 1931 and January 28, 1932. The result was that 1932 closed with a trade balance most unfavorable to China.

Prior to 1931 China was able to increase her volume of foreign trade almost annually. The total value of exports and imports in 1921 was Hk. Tls. 937,000,000, increasing three years later to more than Hk. Tls. 1,000,000,000. The years following witnessed growing expansion until a total of about Hk. Tls 1,988,000,000 was reached in 1926, which further increased to Hk. Tls. 2,187,000,000 in 1927, the highest total being recorded in 1931, when the volume of trade expanded to Hk. Tls. 2,342,935,000. Computed in American dollars, considered the most stable currency, the same rising trend can be traced, though the figures are not in absolute conformity with those expressed in Haikwan Taels owing to fluctuating rates of exchange and gold and silver prices. Thus, the value of China's exports and imports in terms of U.S. currency for 1913 and 1917 was respectively about $710,000,000 and $1,000,000,000, while the totals recorded during the following decade were invariably for $1,000,000,000 to $1,700,000,000 per annum. Though 1931 was the most prosperous year for China's foreign trade, on account of the remarkable rise in gold prices and decline in silver, the total for that year in terms of U.S. currency showed a drop to approximately $796,000,000.

The year now under review is the worst during the past 11 years in point of import and export business. The value of China's foreign trade in 1932 swung back to Hk. Tls. 1,541,888,000—equivalent to U.S. $524,583,000—from Hk. Tls. 2,342,935,000 the preceding year. Taking the year before the world war, 1913, as a basis, the trade of China, measured in U.S. currency, for 1932 is only about 74 per cent of that in 1913. The table above shows that of a total of Hk. Tls. 1,541,888,082 registered in 1932, Hk. Tls. 492,641,421 represent exports, indicating a drop of 45.83 per cent as compared with the year previous. With regard to imports, these also show a decrease of 26.81 per cent, while the total of imports and exports is 65.81 per cent of that of 1931. The fall of trade in the year under review was unprecedented, especially with respect to export business, which dropped almost by half in the course of two years, marking the lowest record since 1918. The fact that the last two quarters of the year showed an even more rapid fall than the first two is indicative of the tendency for this year. This sharp drop is partly to be explained by the incomplete reports from the Manchurian Customs, but this is by no means the principal reason, for even if they had been complete the figures would have still been much lower than those for the preceding year. The total import and export trade through Manchurian ports during the first six months of 1932 amounted in value to respectively 72,019,000 and 127,375,000 Haikwan Taels. Allowing the same amounts for the second half of the year, the totals would be only 1,121,265,661 and 620,016,412 Haikwan Taels, representing a decrease of 21.78 and 31.83 per cent as compared with the previous year.

Studying the trade by months, it is seen that exports were smallest in July and largest in June, while China bought least in February and most in April. With regard to the total trade, April was the best month, July the worst.

Since July, 1932, no reports have been received from the Manchurian Customs, and the latest reports from Aigun, Hunchun, and Lungchingtsun covered the first 15 days of July. If the Manchurian figures are subtracted from the total for the first half-year, China's exports and imports during that period would be respectively 171,547,037 and 535,092,040 Haikwan Taels, which show, when compared with those in the second six months, a rather discouraging situation in consideration of the fact that the export of the second half-year was Hk. Tls. 22,170,000 larger, while the import, Hk. Tls. 92,950,000, was smaller than during the first half.

In July, 1932 (the lowest month for exports), the total value of Chinese goods shipped abroad was only 39 per cent, whereas that of her imports in February (the lowest month for imports) was 51 per cent of the same period in 1931. In fact, China's exports in any month during the period under review never exceeded 75 per cent of those of 1931. With regard to import, with the exception of April and May, which showed a slight excess over the 1931 figures, most of the other months registered only about 60 per cent of the 1931 business.

INDEX NUMBERS FOR 1932 (1923—100)

Months	Exports	Imports	Total Foreign Trade
January	66.31	110.25	91.08
February	57.60	65.49	62.06
March	72.04	102.17	89.07
April	68.98	136.47	107.13
May	70.01	127.56	102.58
June	78.28	105.36	93.59
July	41.07	74.20	59.80
August	43.64	84.89	66.96
September	42.44	74.00	60.29
October	42.84	81.29	64.58
November	45.93	79.20	64.74
December	53.03	78.07	67.19
Average of the year	57.00	93.33	77.54

Another interesting fact is that fluctuations of monthly trade were much higher in the case of imports. Thus, in April China bought almost twice the amount from abroad as was imported in May. The decline continued in June, but after July trade returned to normal, with a reactionary improvement in September.

The Balance of Trade

In view of the sharp decline in her export trade, China suffered in 1932 the most unfavorable balance of trade ever seen. In 1912 the excess of imports over exports was Hk. Tls. 102,570,000, increasing to Hk. Tls. 166,800,000 and Hk. Tls. 213,000,000 in the following two years. Conditions improved after 1915 owing to the World War, the best year being 1919, when China imported only Hk. Tls. 16,600,000 worth of goods more than she exported. The years following 1920, however, witnessed a much larger balance against this country, the discrepancy between imports and exports increasing annually until 1930, when the figure ran into Hk. Tls. 410,000,000. The situation went from bad to worse, and in 1931 a further increase to Hk. Tls. 524,000,000 was shown, but still Hk. Tls. 32,000,000 below the 1932 figure of Hk. Tls. 556,000,000.

The same trend is shown by the index numbers constructed with 1912 as the base. The percentage shown in 1913 is more than 162, whereas the trade balance against China was reduced in 1915 to 34.72 per cent of the base year. The percentage was lowest in 1913, but a reactionary rise was seen after the World War, the percentage going up from 215.08 in 1920 to 297.31 the following year and again to 510.85 in 1931 until the highest point of 542.62 was reached in 1932. The excess of imports over exports during the year under review was therefore approximately five times that in 1912, and 34 times that recorded in the lowest year, 1919!

This increasing unfavorable balance is attributed, in the opinion of many, to the silver slump, which greatly affected the value of exports. Yet this cannot be the only reason, for the balance of Hk. Tls. 556,000,000 is itself equivalent to U.S. $189,000,000, which is above the year's exports. Considering the small "invisible" items which China has from remittances by her people, abroad, this balance is close to the correct figure.

VALUE OF CHINA'S FOREIGN TRADE DURING 1913-32

Year	EXPORTS In thousand Hk. Tls.	EXPORTS In thousand U.S. Dollars	EXPORTS 1913 as base	IMPORTS In thousand Hk. Tls.	IMPORTS In thousand U.S. Dollars	IMPORTS 1913 as base	TOTAL In thousand Hk. Tls.	TOTAL In thousand U.S. Dollars	TOTAL 1913 as base
1913	403,306	294,413	100.00	570,163	416,219	100.00	973,468	710,632	100.00
1914	346,227	238,672	80.70	569,241	381,392	91.60	925,468	620,064	87.20
1915	418,861	259,964	88.20	454,476	281,775	67.70	873,327	541,469	76.20
1916	481,797	380,620	129.30	516,047	407,962	98.00	998,204	788,581	111.00
1917	462,932	476,820	162.00	549,915	566,004	136.00	1,012,450	1,042,804	146.50
1918	485,883	612,213	207.90	554,893	699,165	168.00	1,040,776	1,311,378	184.50
1919	630,809	876,825	297.80	646,998	899,327	216.10	1,277,807	1,776,152	249.90
1920	541,631	671,623	228.10	762,250	945,190	227.10	1,303,883	1,616,813	227.50
1921	601,256	456,954	155.20	906,122	688,653	165.50	1,507,378	1,145,607	161.30
1922	654,892	543,560	184.60	945,050	784,391	188.50	1,599,942	1,327,952	187.00
1923	752,917	602,334	204.60	923,403	738,722	177.50	1,676,320	1,341,056	188.70
1924	771,784	625,145	212.30	1,018,211	824,751	198.20	1,789,995	1,449,896	204.00
1925	776,353	625,136	221.50	947,865	796,207	191.30	1,724,218	1,448,343	203.00
1926	864,295	656,864	223.10	1,124,221	854,408	205.30	1,988,516	1,511,272	212.70
1927	918,620	633,848	215.30	1,012,932	698,922	167.90	1,931,551	1,332,770	187.50
1928	991,355	703,862	239.10	1,195,969	849,138	204.00	2,187,324	1,553,000	218.70
1929	1,015,687	650,404	220.80	1,265,779	602,488	144.80	2,204,599	1,014,116	142.70
1930	894,844	411,628	139.80	1,309,756	810,098	194.60	2,281,466	1,460,138	205.50
1931	909,476	309,222	105.00	1,433,489	487,386	177.10	2,342,935	796,608	112.10
1932	492,641	167,840	57.00	1,049,247	356,743	85.70	1,541,888	524,583	73.80

CHINA'S UNFAVORABLE BALANCE OF TRADE

Year	Excess of Imports over Exports (Hk. Tls.)	1912 as base
1912	102,576,628	100.00
1913	166,857,011	162.66
1914	213,014,752	207.66
1915	35,614,555	34.72
1916	34,609,629	33.74
1917	86,587,144	84.41
1918	69,010,051	67.27
1919	16,188,270	15.78
1920	220,618,930	215.08
1921	304,866,902	297.31
1922	290,157,717	282.87
1923	170,485,471	166.20
1924	246,426,209	240.23
1925	171,512,007	167.20
1926	259,926,482	243.65
1927	94,311,962	91.94
1928	204,614,283	199.47
1929	250,091,503	243.81
1930	414,912,148	404.49
1931	524,013,669	510.85
1932	556,605,240	542.62

The balance was most marked in the second quarter of the year—Hk. Tls. 189,475,271, while in the other three quarters the figures were Hk. Tls. 118,713,731, 127,052,969 and 13,363,268. The comparatively favorable situation in the last quarter was explained by the slight increase in exports coupled with a decrease in imports. The balances of the four quarters are respectively 90.98, 144.66, 96.98

and 92.64 per cent of the quarterly average of the previous year, the total being 3 per cent above.

Analysis of the Principal Exports

In character there is not much change shown in the goods exported and imported during 1932. The export of foodstuffs and tobacco is decreasing and that of raw materials and half-manufactured goods always represent the largest proportion. This indicates the trend of economic conditions in China, the large imports of manufactured goods showing the backward character of China's industry, while the predominance of foodstuffs and tobacco in imports reveals the depression of agricultural industry and the collapse of rural economy.

CHINA'S PRINCIPAL EXPORTS IN 1932

Commodities	Volume In Piculs	Value In Hk. Tls.	%-age of Total	%-age of 1931
Beans	19,219,838	51,224,929	10.40	37.06
Raw Silk	78,119	32,932,250	6.68	37.71
Eggs and Egg-products	——	28,408,915	5.77	75.24
Tea	653,556	24,761,556	5.03	74.47
Beancake	10,835,967	23,626,875	4.80	43.25
Cotton	663,264	20,654,753	4.19	76.61
Groundnuts	3,086,413	19,420,348	3.94	62.30
Cotton yarn	346,825	19,136,948	3.88	55.92
Silk piece-goods	——	18,478,940	3.71	75.69
Hides, Leather & Skins	——	15,232,228	3.09	50.70
Tung Oil	802,769	14,866,003	3.02	72.81
Coal (tons)	2,115,582	12,092,188	2.45	38.93
Bristles	60,006	7,077,413	1.44	73.53
Bean Oil	463,751	4,803,415	0.97	28.07
Pig Iron*	3,151,143	4,568,478	0.93	52.07
Matting	——	2,291,209	0.46	31.61
Others	——	193,064,913	39.24	——
Total		492,641,421	100.00	

*Including Ships' Ballast

Exports in 1932 were valued at over Hk. Tls. 492,640,000 as against Hk. Tls. 909,475,000 in 1931, a decrease of Hk. Tls. 416,000,000 or 45.83 per cent. The principal commodities, such as beans, silk, tea, eggs, and egg-products, all showed a great decrease, bean-oil exports amounting only to 28 per cent of 1931, bean and silk 37 per cent. The chief cause of the sharp drop in beans and their products is that the Customs reports from Manchuria are not available, and this trade in the Northeast usually represents 90 per cent of the total export of beans from China. Even the highest figure in the above table, that of cotton, is only 76.61 per cent of the previous year, while the remainder are all about 45 per cent down. From this general decline in exports it may be inferred that the real cause of the slump during the year under review is not the Manchurian trouble but domestic agricultural depression and reduced demand for Chinese goods and produce abroad.

From the above table it is seen that beans occupy the foremost position in China's exports in 1932, followed by raw silk, eggs and egg products, tea, etc. Last century, when China began to trade overseas, tea was the most important commodity exported, raw silk and cotton being second and third respectively, while in the beginning of the twentieth century raw silk took precedence and beans took second place. From 1927 beans rose to first place, with raw silk second and tea fourth, but in 1930 the order again changed, raw silk ranking first, second, and eggs and egg products third. In 1931 beans and raw silk recovered the positions held in 1927, groundnuts and products ranking third and eggs and egg products fourth. The order for 1932 was slightly changed. The exports of beans was 10.4 per cent of the total as against 15.2 per cent in 1931, showing a decrease of 4.8 per cent; raw silk 10.53 per cent in 1931, with a decrease of 3.85 per cent. In 1931 eggs and egg products were represented by 4.15 per cent, while in 1932 in increase of 1.62 was seen; tea in 1931 amounted to 3.66, an increase of 1.37 per cent, and cotton in 1931 to 2.96, an increase of 1.23 per cent.

THE 1931 AND 1932 EXPORTS IN ORDER OF MAGNITUDE

1931.	%-age of Total	1932.	%-age of Total
Beans	15.20	Beans	10.40
Raw Silk	10.53	Raw Silk	6.68
Beancakes	6.01	Eggs and Egg Products	5.77
Eggs and Egg Products	4.15	Tea	5.03
Cotton Yan	3.76	Beancakes	4.80
Tea	3.66	Cotton	4.19
Coal	3.42	Groundnuts	3.94
Hides, Leather & Skins	3.15	Cotton Yarn	3.88
Groundnuts	3.07	Silk Piece-Goods	3.71
Cotton	2.96	Hides, Leather & Skins	3.09

One thing to be made clear here is that the above table is made out according to values and when considered from the viewpoint of volume, the decline is not so abrupt, because the prices of commodities during recent years have shown a general downward tendency. There were 42,326,928 piculs of beans exported in 1931, and the decrease in quantity in 1932 was 54.59 per cent, while values decreased by 62.94 per cent. The export of beancake in 1931 was 23,231,796 piculs, reduced in quantity by 53.36 per cent in 1932, and in value by 56.74. The export of silk in 1931 was 136,186 piculs, and a drop of 42.63 per cent in quantity and 61.11 per cent in value was seen last year. Tea was exported to the amount of 703,206 piculs and cotton 789,862 piculs in 1931, while in 1932 a decrease of 7.06 in quantity and 25.10 in value was registered for the former, and 166.03 per cent in quantity and 23.39 per cent in value for the latter.

In the third and last quarters of the year under review silk, tea, and cotton had larger exports than in the first and second quarters, groundnuts being the only commodity to show a decline as compared with the preceding half-year. Beans, beancakes, and bean oil, owing the absence of reports from Manchuria, the figures show a much greater decline:—

CHINA'S PRINCIPAL EXPORTS IN 1932

Months	Raw Silk	Tea	Egg Products	Beans	Bean-cakes	Cotton	Tung Oil
January	32.97	40.31	41.70	172.32	23.40	91.51	49.31
February	47.08	37.92	43.57	160.42	68.77	48.05	80.30
March	48.08	88.45	50.32	30.79	93.69	27.47	198.66
April	49.94	58.65	65.73	103.35	72.02	30.84	130.13
May	50.68	89.56	133.24	137.21	64.72	25.55	97.82
June	67.18	108.89	171.99	196.39	84.32	30.13	67.49
July	56.23	91.47	129.40	5.16	0.28	47.98	115.16
August	111.24	86.64	100.13	2.08	0.18	68.10	141.59
September	135.62	69.29	55.36	4.89	0.12	97.38	64.28
October	92.46	60.01	65.40	7.07	0.22	128.24	160.23
November	85.63	105.27	69.96	8.15	0.13	149.96	99.43
December	116.79	97.95	60.09	5.95	0.19	160.78	83.14

China's total imports during 1932 amounted in value to C.G.U. 891,190,000 or Hk. Tls. 1,049,240,000, a decrease of C.G.U. 327,650,000 or Hk. Tls. 384,240,000 as compared with 1931. As imports had been increasing in volume for several years, this sharp drop was surprising, and inquiry into its cause reveals that it was not caused by any development of home industries, but because of the Sino-Japanese conflict and the reduced purchasing power of the Chinese people. An increase, however, was shown in imports of rice, wheat, and flour as a result of the disastrous Yangtze floods. Compared with 1931, imports of rice and wheat increased by 85.02 and 23.76 per cent respectively. All other imports, with the exception of petroleum, which decreased only 6.46 per cent, showed a decrease of about 40 per cent. The following table shows the value and quantity of various imports during 1932:—

CHINA'S IMPORTS DURING 1932

Commodities	Quantity	Value (C.G.U.)	Percentage Total of	1931—100
Raw cotton	3,712,856 piculs	101,839,084	11.43	66.87
Rice	22,648,639 piculs	101,283,994	11.36	185.02
Cotton Goods		61,628,947	6.91	67.63
Petroleum	145,918,794 gallons	51,342,147	5.76	93.54
Metals		50,931,106	5.71	71.08
Wheat	15,084,724 piculs	43,968,720	4.93	59.00
Sugar		40,100,181	4.50	54.76
Flour	6,636,658 piculs	30,112,342	3.38	123.76
Chemicals		29,409,041	3.30	67.25
Machinery		26,265,941	2.95	64.42
Paper		25,585,960	2.87	74.07
Tobacco		23,706,905	2.66	42.85
Woollen Textiles		18,487,773	2.07	60.80
Timber		17,462,465	1.96	59.21
Marine Products		17,371,510	1.95	86.71
Artificial Silk	10,388,867 catties	11,404,630	1.28	61.58
Coal	1,420,931 tons	11,117,299	1.25	60.87
Other Articles		229,287,442	25.73	
Total		891,296,487	100.00	

THE 1931 AND 1932 IMPORTS IN ORDER OF MAGNITUDE

1931	%-age of Total	1932	%-age of Total
Raw Cotton	12.49	Raw Cotton	11.43
Cotton goods	8.55	Rice	11.36
Wheat	6.11	Cotton goods	6.91
Suggar	5.99	Petroleum	5.76
Metals	5.92	Metals	5.71
Petroleum	4.50	Wheat	4.93
Rice	4.49	Sugar	4.50
Tobacco	3.99	Flour	3.38
Paper	3.17	Chemicals	3.30

It will be observed that raw cotton occupied first place among imports, the value amounting to 11.43 per cent of the total. Rice ranked next with 11.36 per cent, while cotton goods, petroleum, metals, wheat, sugar, flour, chemical products, machinery, paper, tobacco, and woolen fabrics followed in this order. Imports of raw cotton, cotton goods, wheat, sugar, paper, and tobacco decreased in percentage as compared with the previous year, while those of rice, petroleum, metals, flour, and chemical products increased.

The volume of these various imports, however, did not rise and fall with their value. In 1932, for instance, 3,712,856 piculs of raw cotton were imported, a decrease of 20.20 per cent in quantity as compared with the 4,652,725 piculs of 1931. The decrease is less than that shown by a comparison of values, while the import of rice showed an increase in volume of 109.36 per cent, a figure much higher than the increased value shown. This was due to the general fall in prices during the year on account of depreciation in the value of silver and the reduced purchasing power of the Chinese people.

CHINA'S PRINCIPAL IMPORTS IN 1932 COMPARED WITH 1926 (1926-100)

Months	Cotton goods	Cotton Yarn	Raw Cotton	Rice	Flour	Sugar	Petro-leum
January	23.34	47.39	346.15	500.37	169.45	58.21	66.34
February	21.06	18.26	68.60	403.17	257.50	36.93	62.96
March	48.09	34.90	115.02	706.84	282.75	83.01	67.37
April	69.77	412.08	184.74	829.58	242.54	157.07	59.43
May	68.55	30.96	269.80	864.42	252.43	51.11	65.28
June	39.80	27.64	185.75	579.92	119.77	14.73	47.77
July	23.10	9.48	96.56	559.48	71.74	4.28	39.06
August	37.92	12.51	159.66	483.77	82.04	27.67	58.00
September	37.76	13.30	80.25	365.23	78.47	31.11	69.65
October	35.89	2.49	38.07	429.91	107.20	46.39	97.41
November	25.90	7.33	30.01	399.41	120.60	41.53	65.93
December	20.11	8.01	44.48	380.86	70.84	30.45	52.25

CHINA'S TRADE WITH THE VARIOUS COUNTRIES DURING 1928-1932*

COUNTRY	1928 Value	%-age	1929 Value	%-age	1930 Value	%-age	1931 Value	%-age	1932 Value	%-age
U. S. A.	332,746	15.21	368,680	16.16	364,286	16.52	441,546	18.85	329,169	21.16
Japan (incl. Taiwan)	547,896	25.05	579,570	25.40	543,720	24.66	560,683	23.93	265,583	17.07
Great Britain	174,820	7.99	193,483	8.48	170,927	7.75	184,511	7.88	156,776	10.07
Hongkong	408,201	18.66	388,062	17.01	376,388	17.07	370,388	15.81	136,139	8.75
Germany	78,522	3.59	89,534	3.92	92,467	4.19	106,653	4.55	101,747	6.54
India	66,682	3.05	72,294	3.17	149,122	6.76	103,305	4.41	86,147	5.54
Netherlands Indies	61,027	2.79	68,457	3.00	60,067	2.73	67,777	2.89	64,359	4.14
Australia	3,481	0.16	7,132	0.31	8,903	0.40	62,580	2.67	41,790	2.69
Russia	118,294	5.41	75,363	3.30	74,434	3.38	79,656	3.40	33,351	2.15
Indo-China	17,885	0.82	20,276	0.88	32,064	1.45	13,877	0.59	54,892	3.53
Korea	64,701	2.96	55,448	2.43	58,209	2.64	40,391	1.72	23,775	1.53
Siam	12,751	0.58	9,329	0.41	8,995	0.41	9,891	0.43	43,786	2.81
France	93,620	4.28	74,504	3.28	59,687	2.71	55,795	2.38	38,365	2.74
Italy	31,198	1.43	36,365	1.59	24,032	1.09	28,230	1.20	17,615	1.13
Other Countries	175,500	8.02	242,978	10.66	181,299	8.24	217,592	9.29	162,112	10.42
Total	2,187,324	100	2,281,466	100	2,204,599	100	2,342,965	100	1,555,606	100

Values in 1000 Hk. Taels.

CHINA'S TRADE WITH THE VARIOUS COUNTRIES IN 1932*

COUNTRY	EXPORTS Value	%-age	IMPORTS Value	%-age	TOTAL Value	%-age	Excess of Imports	Excess of Exports
U. S. A.	59,993	12.17	269,176	24.43	329,169	21.16	209,183	—
Japan (incl. Taiwan)	107,485	21.80	148,432	13.95	155,917	16.45	40,947	—
Great Britain	37,584	7.62	119,192	11.20	156,776	10.07	81,608	—
Hongkong	75,665	15.35	60,474	5.71	136,139	8.75	—	15,191
Germany	29,833	6.05	71,914	6.75	201,747	6.54	42,081	—
India	20,977	4.26	65,170	6.19	86,147	5.54	44,193	—
Netherlands Indies	5,490	1.11	58,869	5.55	64,359	4.14	53,379	—
Australia	1,126	0.23	40,664	3.81	41,790	2.69	39,538	—
Soviet Russia	24,400	4.95	8,951	0.84	33,351	2.15	—	15,449
Indo-China	2,512	0.51	52,380	4.91	54,892	3.53	49,868	—
Korea	19,868	4.03	3,907	0.37	23,775	1.53	—	15,961
Siam	3,868	0.78	39,918	3.74	42,786	2.81	36,050	—
France	22,818	4.63	15,547	1.46	38,365	2.47	—	7,271
Italy	3,747	0.76	13,868	1.30	17,615	1.13	10,121	—
Other Countries	77,623	15.75	94,155	8.79	171,778	11.04	16,532	—
Total	492,989	100.00	1,062,617	100.00	1,555,606	100.00	569,628	—

Values in 1000 Hk. Taels.

General Trend of Trade

The most noticeable feature of China's commerce during 1932 was the increased importance of the trade between the United States and China, and the sharp drop in trade between China and Japan. During the past 15 years (with the exception of 1921, 1922 and 1923) Japan has led other countries in China's foreign trade. Exports to and imports from Japan constituted 38.65 per cent of China's total volume of foreign trade in 1918, and the percentage has never dropped below 25 per cent until 1932, when it reached only 17 per cent on account of the boycott. On the other hand, the share of the United States in China's foreign trade was only 15.21 per cent in 1928, but rose to 21.16 per cent in 1932, occupying the leading position. The volume of trade between Great Britain and China also increased last year, the percentage rising to 10, with Britain ranking third among the countries having trade relations with China. Hongkong fell back to fourth place in 1932, the volume of trade between Hongkong and China in 1932 being 4.75 of the total. Trade with countries like Germany, India, Netherlands Indies, Australia, and Indo-China increased in volume in the year, while that between China and Soviet Russia and France decreased. The following table shows the value of trade between China and the principal countries in the five years ending 1932, in thousands of Haikwan taels:—

It will be seen from the above table that the United States, Japan, and Great Britain handled 48 per cent of China's foreign trade in 1932, and if the British colony of Hongkong is included, the share of these four in our foreign trade was much more than 50 per cent of the whole.

In the year under review Japan still led other countries in export trade from China, as shipments to that country constituted 21.8 per cent of China's total export in 1932. Hongkong ranked second with 15.35 per cent, and the United States third with 12.77 per cent. The latter country, however, occupied premier position in the import trade, taking about one-fourth of the total. Japan ranked after the United States with 13.98 per cent, while Great Britain was third with 11.20 per cent. With the exception of Hongkong, Soviet Russia, Korea and France, imports from all other countries exceeded exports to them, and in the case of the United States, the excess of China's imports over exports amounted to more than Hk. Tls. 200,000,000.

In our trade with Japan during the year cotton goods constituted the principal import, amounting to 38,284,532 C.G.U. in value. Compared with 1931 however, a decrease of approximately 50 per cent was shown. Imports of flour from Japan amounted to 8,234,889 C.G.U., while those of sugar amounted to 7,323,159 C.G.U., both decreasing considerably as compared with the previous year. As to exports, beans had been the principal commodity in past years, but in 1932, on account of the Japanese occupation of the Three Eastern Provinces, the chief bean-growing area of China, the value of bean exports to Japan decreased to 13,000,000 Hk. Tls. as against 40,000,000 Hk. Tls. in 1931. For the same reason the value of beancakes exports to Japan, amounting to 16,000,000 Hk. Tls. in value, with beans and beancakes next, their respective values being Hk. Tls. 14,000,000 and 13,800,000.

Trade between China and the United States during 1932, though it decreased in volume, rose in percentage with regard to China's total volume of foreign trade. Raw cotton, petroleum and tobacco leaf constituted the principal imports from the United States, amounting to C.G.U. 84,000,000; 26,000,000 and 20,000,000 in value respectively. Next came flour, kerosene, and wheat, amounting to 18,000,000 C.G.U., 6,000,000 C.G.U. and 5,000,000 C.G.U. respectively. A general decrease was shown in exports from China to the United States during the year. Tung-oil occupied first place with exports amounting to 9,400,000 Hk. Tls. in value, with raw silk, eggs, and tea coming next, the export amounting to Hk. Tls. 8,600,000, 2,000,000 and 1,900,000 respectively.

From the above facts and figures the following conclusion may be drawn:—

i. China's foreign trade in 1932 was most depressed, both imports and exports shrinking much in volume. The decrease in exports was particularly sharp as their value amounted to only one-third of China's total foreign trade.

ii. In 1932 the excess of imports over exports exceeded the total value of exports, and the magnitude of the figure was unprecedented.

iii. The United States took the leading position in China's foreign trade during 1932, while Japan dropped to second place, appearing to have lost her dominant position in the foreign trade of China.

iv. Although the depression in China's foreign trade is partially attributable to the world economic depression, the Yangtze floods of 1931, and the Sino-Japanese conflict, the chief cause is diminished production in China.

In a word, our export trade shrunk to an unprecedented degree in 1932, and our principal exports, such as raw silk, tea, tung-oil, etc. encountered keen competition everywhere. If such conditions should continue, the future of our foreign trade will be indeed gloomy. To recover lost foreign markets, and to find means of making good the unfavorable balance of trade of Hk. Tls. 550,000,000, are problems which call for immediate attention.

The National City Bank of New York, Rates of Exchange

Shanghai, April 19, 1933.

Demand selling rate on America:	U.S. $100=Sh. $4.7478
Demand buying rate on America:	U.S. $100=Sh. $4.6512
Demand selling rate on London:	£1.0.0=Sh. $16.696
Demand buying rate on London:	£1.0.0=Sh. $16.134

In the United States Court for China

LUDMILLA MEHRINGER, Plaintiff,
vs.
STEPHEN R. MEHRINGER, Defendant.

Cause No. 3531
Civil No. 1594
ORDER
Filed at Shanghai, China
April 7, 1933.
L. T. Kenake,
Asst. Clerk

The object of this suit is an action for divorce

WHEREAS, plaintiff herein, by her attorneys, has this 6th day of April, 1933, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 6th day of April, 1933, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of the Court"; and

WHEREAS, it appears from the files in this case that on the 6th day of April, 1933, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein since three years, and that defendant's last known address was c/o Navy Department, Washington, D. C.

NOW, THEREFORE, it is this 7th day of April, 1933, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the CHINA WEELY REVIEW, Shanghai, China, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 29th day of April, 1933, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 7th day of April, 1933.

MILTON D. PURDY,
Judge.

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In the United States Court for China

In re.	Cause No. 3521
Estate of SYLVESTER P. O'CONNOR Deceased	Special Proceedings No. 814
	NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Sylvester P. O'Connor, deceased, to present the same with vouchers to the undersigned on or before October 1st, 1933, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

RAVEN TRUST COMPANY,
Fed. Inc., U.S.A.
29 Nanking Road,
Shanghai, China.

Shanghai, China.
March 27, 1933.

CUSTOMS NOTIFICATION NO. 1291

With reference to Customs Notification No. 1273, notifying the public of the regulations governing the marking of foreign goods imported into China with the name of the country of original manufacture, which were to be enforced as from the 1st August, 1933, the public is now hereby notified that in accordance with Government instructions the enforcement of these regulations is postponed and will take effect as from the 1st January, 1934.

H. O. Tong
Superintendent of Customs,

A. C. E. Braud
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 15th April, 1933.

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The Digestive Organs Need Rich, Red Blood

Many people who suffer from dyspepsia, or indigestion in any of its forms, rarely suspect that the cause most probably lies in the impoverished condition of their blood.

It is from the blood that the digestive juices are obtained. In addition, the stomach and other digestive organs require plenty of rich blood in order to maintain themselves in a healthy and powerful condition. When the blood is enriched improved digestion follows as a natural consequence.

Countless numbers of sufferers from dyspepsia in its most serious and distressing stages have derived the most pleasing benefits from a course of Dr. Williams' Pink Pills.

Dr. Williams' Pink Pills can definitely claim to increase the quantity and improve the quality of the blood. Recent tests taken by an independent medical practitioner proved this beyond a shadow of doubt. Blood tests were taken in a number of cases both before and after a course of Dr. Williams' Pink Pills. The increase in haemoglobin cells was so marked that the doctor making the tests was astonished.

For digestive derangements as for other troubles arising from impoverished blood, nerve weakness, loss of energy, depression, rheumatism and similar ailments, women's ailments and any debilitated condition you cannot use a better remedy than Dr. Williams' Pink Pills. The medical profession has placed its hall mark upon this old and proved blood and nerve tonic. Obtainable from chemists everywhere.

Latest New York Stock Exchange Quotations

Market—Firm — Business Done 1,430,000 Shares

April 19, 1933

1932-3 High	Low	Div.$ per Sh.	STOCKS	Mon. Apr. 17	Tues. Apr. 18
9 1/4	1 1/8	—	Adams Express	4 3/8	4 3/4
89 7/8	42 1/2	*6.00	Allied Chemical & Dye	80 1/4	82 1/4
15 5/8	4	—	Allis Chalmers	9 3/8	10
73 7/8	29 5/8	4.00	American Can	61 7/8	63 5/8
15	2	—	American & Foreign Power	5	5
38 1/2	5	—	American & Foreign Power 7% Pfd.	Unq.	10
10	1 1/4	—	American & Foreign Power Warr.	3 1/4	Unq.
11 3/4	4 1/4	—	Atlas Corporation	7 1/2	7 3/4
9 1/4	1 1/2	—	American Metal Co.	6	6 5/8
27 1/4	5 1/2	—	American Smelting	19 5/8	20 5/8
137 5/8	70 1/4	9.00	American Telephone & Telegraph	87	88
89 3/4	44	5.00	American Tobacco "B"	64 1/2	65 5/8
34 1/2	11	1.00	American Waterworks	13	Unq.
19 3/8	3	—	Anaconda Copper	7 3/4	8
151 3/4	28 3/8	2.00	Auburn Automobiles	36	36 1/2
21 3/8	3 3/4	—	Baltimore & Ohio	9 3/8	9 3/4
29 5/8	7 1/4	—	Bethlehem Steel	16 3/4	17 7/8
43 1/4	18	1.60	Borden Company	23 3/4	23 7/8
14 1/4	3 3/4	—	Borg Warner	8 5/8	9
20 3/8	7 1/4	—	Canadian Pacific Railway	8 1/4	8 7/8
65 3/4	16 3/4	—	Case, J. I.	47 1/2	48 7/8
47 3/8	19	2.00	Chase National Bank	20 1/4	22 1/4
20 3/4	4 7/8	2.00	Chesapeake Corp.	16 1/2	17 1/2
21 3/4	5	—	Chrysler	11 7/8	12 1/4
21	4 1/4	.80	Columbia Gas & Electric	10 3/8	10 7/8
5 1/2	1 3/8	—	Commonwealth & Southern	1 3/8	1 1/2
68 3/4	31 1/2	4.00	Consolidated Gas of N. Y.	44	44 3/8
9 3/8	3 3/4	—	Continental Oil	7	7 1/4
60 1/4	24 3/4	3.00	Corn Products	58 1/2	59 3/8
7 3/8	1 1/2	—	Coty Inc.	3	Unq.
3 1/4	7/8	—	Curtiss Wright Company	1 3/8	1 5/8
18 5/8	5	.75	Douglas Aircraft	12 3/4	12 3/8
57	23	3.00	Drug Incorporated	35 7/8	36 1/2
59 3/4	22	2.00	Du Pont de Nemours	38 1/2	39 3/8
87 7/8	35 1/4	3.00	Eastman Kodak	52	53
48	5	6%S	Electric Bond & Share	12 1/4	12 7/8
16	2 3/4	—	Electric Power & Light	4	4 1/4
5 7/8	7/8	—	Fox Film "A"	1	1 1/4
26 1/2	8 1/2	.40	General Electric	14 1/4	14 5/8
40 1/2	19 5/8	1.60	General Foods	26 3/4	27 5/8
24 7/8	7 5/8	1.00	General Motors	13 1/2	14 1/8
28 5/8	6 1/4	1.00	General Railway Signal	19 1/4	20 3/8
20 5/8	8 1/4	1.20	Gold Dust	16	Unq.
29 3/4	5 1/2	—	Goodyear Tire & Rubber	17 5/8	18 5/8
18 3/4	3 5/8	—	International Cement	11 3/4	12
1 3/8	1/8	—	International Com. Engine	1/8	1/8
34 1/2	10 5/8	.60	International Harvester	23 3/4	24 5/8
12 1/2	3 1/2	—	International Nickel	9 3/8	10 1/4
15 3/4	2 3/8	—	International Telephone & Telegraph	6 5/8	6 7/8
33 5/8	10	—	Johns Manville	19 7/8	20 1/4
19 1/4	4 3/8	—	Kennecott	11 1/2	11 3/4
51 7/8	30 1/2	2.40	Lehman Corporation	46 3/8	46 3/4
67 1/2	34 1/2	*4.00	Liggett & Myers, "B"	67	67 3/8
37 3/4	9	1.00	Loew's: Inc.	12	12 3/8
18 3/8	9	1.20	Lorillard P. Co. (Com.)	15	15
16 1/2	3 1/4	—	Montgomery Ward	14 3/4	15
64 1/2	19 3/4	1.00	National City Bank (bid price)	24 5/8	26 3/4
36 5/8	8 3/4	—	New York Central	16 3/4	17 1/8
43 1/4	13 3/4	8%S	North American Company	17 1/2	18
37	16 7/8	2.00	Pacific Gas & Electric	21 1/2	22
5 1/4	1 1/2	—	Packard Motors	1 7/8	1 7/8
28 3/8	6 1/2	.50	Pennsylvania Railroad	16 1/2	16 3/4
4 3/8	1	—	Pennroad Corporation	1 1/4	1 3/8
8 1/8	.2	—	Phillips Petroleum	6 7/8	7
60	28	3.20	Public Service of N. Jersey	36	37
18 1/4	2 1/2	—	Radio Corporation	4 1/4	4 1/4
7 3/4	1	—	Radio-Keith Orpheum	Unq	1 3/8
40 1/4	26 1/2	8.00	Reynolds Tobacco "B"	32 1/2	32 1/4
37 3/4	9 7/8	—	Sears Roebuck	18 3/4	19 1/4
8 3/4	2 1/2	—	Shell Union	5	5
13 5/8	2 3/4	—	Simmons Company	6	6 5/8
12 1/4	5 1/4	.40	Socony-Vacuum Corp.	7	7 1/8
32 3/4	15 3/4	2.00	Southern California Edison	18 3/4	19 3/8
34 1/4	5 1/4	—	Standard Gas & Electric	7 3/4	7 3/8
37 5/8	19 3/8	1.00	Standard Oil Co., of N. Jersey	28 3/4	28 7/8
18 1/4	9 1/4	1.00	Texas Corporation	13 3/4	14
26 3/4	12	1.00	Texas Gulf Sulphur	21	21 3/8
7 1/2	2 1/2	—	Trans America	4 3/8	4 5/8
36 3/8	15 1/2	1.20	Union Carbide & Carbon	25 1/2	25 3/4
94 1/2	27 3/8	6.00	Union Pacific	63	64
34 3/8	6 1/2	—	United Aircraft & Trans.	21 1/4	21 3/8
14	3 1/4	.40	United Corporation	6	5 7/8
22	9 1/4	1.20	United Gas Improvement	15 3/4	16
10 1/4	1 1/4	—	U. S. Rubber	4 5/8	5 1/4
52 5/8	21 1/4	—	U. S. Steel	32 5/8	33 7/8
31	11	2.00	Universal Leaf Tobacco	26 1/4	Unq.
23 3/4	5 1/4	—	Vanadium	13	13 5/8
4 1/2	1/2	—	Warner Bros. Pictures	1 5/8	1 5/8
43 1/2	15 5/8	—	Westinghouse E. & M.	27 1/4	28 1/4
45 5/8	22	2.40	Woolworth	30	30 1/4
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Shanghai Ratepayers Pass Factory Inspection Measure

One thousand three hundred and forty-nine Ratepayers (taxpayers) assembled for the annual meeting and also a special meeting April 20 in the Grand Theater. The Japanese, as usual, turned out in full force.

The principal measure before the annual meeting was a proposition sponsored by A. J. Hughes, W. P. Lambe, and E. F. Harris to purchase the old Majestic property as a site for a new Town Hall at a cost of Tls. 9,310,000. The resolution was opposed by O. Okamoto at the head of the Japanese community and A. D. Bell, Chairman of the Council. The resolution was lost by a large majority.

The special meeting was then held to consider the Council's resolution to license factories in the Settlement and apply supervisory control—an idea to which the Chinese strongly object, taking the position that it is an infringement of China's sovereign rights and that China's Factory inspection law should be applied, with certain modifications, in the Settlement.

A. de Almeida, Consul for Brazil, asked whether the proposed resolution had been submitted to the Consular Body or Diplomatic Body. Chairman Bell replied that it was not necessary—at least not until passed.

The resolution was carried practically unanimously.

Japanese Report Jehol Poppy-Planting "Satisfactory"

The daily bulletin issued by the Japanese Military Information Bureau at Tientsin, for April 12, reported that the spring planting of poppies for opium production in Jehol province is "proceeding satisfactorily." The report claimed that order gradually is being restored in the province since the Japanese occupation, but that the Japanese are experiencing some difficulty due to the fact that 70 percent of the former officials fled from the area prior to the Japanese occupation. Also it was claimed that there is a shortage of rice, sugar, wheat and flour due to the cutting off of all communication between Jehol and that section of China south of the Great Wall. It therefore has become necessary to import necessary foodstuffs from elsewhere.

With reference to the poppy situation the report stated, "The farmers are now planting their poppy seed and it is expected that if the situation continues to be quiet, this year's crop will be satisfactory."

It was claimed that new police system, chambers of commerce, schools and tax offices inaugurated by the Japanese are proceeding satisfactorily.

Mr. Sakai of the organising committee of the proposed Manchu-Japanese Tourist Co., who arrived in Dairen recently, has announced that the new company plans to open a canidrome in the neighborhood of Hoshigaura this summer. He plans to import greyhounds from Shanghai and Hongkong for gambling purposes, he said.

Death of Col. Samuel Reber Occurs in New York City

Col. Samuel Reber, general foreign representative of the Radio Corporation of America died in New York City on Easter Sunday of pneumonia. Col. Reber served for many years with the United States Army and saw much war service in France. After the war he joined R.C.A., taking several different appointments, finally becoming general foreign representative. Col. Reber was in Japan during the Japanese earthquake of 1923 and was decorated by the Japanese Government for meritorious service at that time. The Colonel visited China twice during the past five years.

Monument Erected in Honor of Sun Yat-sen in Japan

The unveiling ceremony of a monument honoring the place where the late Dr. Sun Yat-sen, the founder of the Kuomintang, General Li Lieh-chun and other original Kuomintang leaders met to discuss their revolutionary plans for the liberation of the Chinese nation during their self-imposed exiles in Japan some twenty odd years ago, took place at Giretsuso villa, in Kamakura, Japan April 16. The ceremony of unveiling the monument, was attended by Mitsuru Toyama, Dr. Ryukichi Endo and other prominent Japanese friends of China including the representatives of Prince Fumimaro Konoe, General Jiro Minami and Soho Tokutomi.

Details of How the Netherlands Boxer Indemnity Fund Will Be Used

The negotiations for the remission of the Netherlands portion of the 1901 (Boxer) Indemnity concluded on April 4 in an exchange of notes between Dr. Lo Wen-kan, Minister of Foreign Affairs, and W. J. R. Thorbecke, Netherlands Minister to China, provide that the Netherlands Government will remit all payments of the Indemnity as from January 1, 1926, to the Chinese Government. Sixty-five percent of the fund remitted is to be devoted to conservancy work in China and the remaining 35 percent to cultural purposes.

Of the amount set aside for conservancy work, $400,000 will be used for a Survey and Research Institute in Nanking and the remainder for conservancy work in the same city, the Board of Trustees for this consisting of two Chinese members and one Netherlands member.

In regard to the 35 percent for cultural purposes a sum of 400,000 guilders shall be at once set aside out of the funds accumulated since January 1, 1926; the Board of Trustees for this will consist of the Chinese diplomatic representative at The Hague, the President of the Literary Section of the Royal Academy of Science at Amsterdam and the President Curator of the University of Leiden.

In order to further the cultural relations between China and the Netherlands 53 percent of the yearly income from the cultural endowment fund shall be handed over each year to the Academia Sinica in China, which will use 13 out of this 53 percent as a subsidy to the activities of that institution, and the remaining 40 percent in the form of scholarships for Chinese scholars and students to be sent to the Netherlands. The remaining 47 percent shall be donated each year to the Sinological Institute of the University of Leiden, which will apply the money in such a manner as will promote the cultural relations between China and the Netherlands.

Former Nanking Officials Impeached on Charges of Corruption

Adding to the long list of the recently impeached officials with the former President of the Shanghai District Court and the first Chinese woman lawyer, Dr. Soumay Tcheng leading, the Control Yuan has instituted impeachment proceedings against four more ex-officials of the Nanking Municipal Government. The four listed officials are Dr. Wei Tao-min, a former Mayor of the Nanking Municipality and Chi Ju, Jennings Wang and Cheng Yuan-fan, respectively former Commissioners of Finance of Nanking.

With regard to Dr. Wei, the Control Yuan claims that during his tenure as Mayor of Nanking, he had signed a contract for the purchase of water pipes and mains for the Nanking Waterworks. Although it was stipulated in the contract that the purchase price might be paid by separate instalments, Dr. Wei, it is alleged, made the payment in one lump sum; and this, in spite of the fact that the seller had failed to deliver the goods at the stipulated time. It is further alleged that the goods delivered were not according to the specifications and that Dr. Wei took no steps either to reduce the purchase price or to demand replacement of the defective goods with goods of the stipulated quality. From these facts, the Yuan concluded that Dr. Wei must have received commissions or bribes in return for his favors.

The three Finance Commissioners are charged with having embezzled during their respective tenures of office, a large part of the Municipal Revenue derived from taxes and license fees. They are also charged with forging receipts and other official documents.

Chinese Chief Inspector of French Police Retires

Shen Teh-foo, Chief Chinese Inspector of the French Municipal Police, retired this week from his post after the completion of thirty years' service. Inspector Shen joined the French Police Force when he was less than forty, but is now rapidly approaching his seventieth birthday, his advanced age necessitating his retirement. In recognition of his meritorious services during his tenure in the maintenance of peace of the Concession, he was presented a silver medal by the French Municipal Authorities and at two previous occasions, he was once decorated by the French Government and the second time by the French Governor-General of Indo-China.

A Present-Day Challenge to the Christian Church

BY LI TSUN CHEUNG (李俊昌)

AS a mighty organisation which exists primarily for the carrying out of the noble ideas and lofty principles of Jesus Christ, the Champion of the oppressed and defenceless weak, the Christian Church is today challenged by one of the most glaring instances of brute-force which is threathening the very foundation of civilization. Savage and wanton destruction to lives and properitse causing thousands of defenseless civilians to die cold-blooded deaths and millions more to starve and become homeless are taking place at this very moment in the North-Eastern Provinces of China as a result of the vaunted and inhuman display of Japanese military prowess.

None will deny that in the eyes of the Founder of Christianity such and similar horrible atrocities are condemnable, for Christ's antipathy and aversion to brute-force are too well-known for citation here. The Christian Church, guided by the firm and fearless stand taken by Chist vis-a-vis barbarisms cannot, morally speaking, permit such an inexcusable outrage on civilization to pass unchallenged. In 1914, the tiny spark produced in Sarajevo caused a world conflagration and who can tell whether the present undeclared Jehol "war" will not precipitate another disastrous world catastrophe. At such a dark and ominous hour when the human race has arrived at the very cross-road of her destiny, the Christian Church would be playing the coward were she to belittle the present grave situation or exonerate the defiant world-wrecking policy and blood-thirsty deeds of Japanese militarists. To remain inactive and inarticulate would be a betrayal to the Founder to Whom she pledges allegiance.

Furthermore, the timidity and vacillations of the Christian Church not only serve to encourage the further perpetrations of inhuman atrocities and shameless lawlessness by greedy Nipponese land-grabblers but indirectly invite the just criticisms of her avowed enemies that she is pandering herself to elements which recognise Might as synonymous with Right. The peace-disturbing forces as represented by insatiable imperialism and barbaric militarism must be restrained and to achieve this end, the spiritual powers which the Christian Church wield must be liberally exercised while Christian organisations and individuals should contribute their share to cope with the existing grave situation. Otherwise, judging by the trend of alarming events, the world's fateful plunge to destruction would be imminent and inevitable.

At a momentous period in the history of the human race when international laws are savagely and ignominiously trampled underfoot, when peace pacts and convenants are treated with the same deference as the contents of a waste-paper basket, when the man-made foundations of peace and order on which the structure of civilization rests are sagging and last but not least when the most powerful anti-Christian forces are taking the present non-committal attitude of Christendom as a golden opportunity to launch their infuriated attacks, certainly the modern Christian Church has an obligation to fulfil. Let us therefore sincerely pray and hope that the organisation which boasts of Christ, the acknowledged Liberator of the helpless oppressed and the Enemy of lawless greed as its Founder will faithfully, fearlessly, and successfully achieve the task that now confronts her—thus shouldering her high responsibilities and justifying her existence as an indispensable factor in transforming this world as a fit place for human beings to live in.

Pakhoi, March 22, 1933.

National Aviation Committee to Receive Funds

Amalgamation of all organs created by the Central Authorities for the custody or receipt of contributions toward the National Airplane Fund was decided upon by the Central Political Council April 13. The amalgamated organ will be called the National Aviation Construction Commission. The Commission will be composed of Messrs. T. V. Soong, Sun Fo, Chen Kuo-fu, Shih Ying, Yeh Chu-sang, Ku Meng-yu, Chen Shu-jen, Chu Chia-hua, Chiang Mon-lin, Chou Tso-min, K. P. Chen, Chien Yung-ming, Chang Chia-ngau, Shih-Liang-tsai, Wang Hsiao-lai, Herman C. L. Liu, Generals Chu Pei-te, Huang Shao-hsiung, Ho Ying-chin, and Tang Sheng-chih.

Japanese to Prevent and Control "Thought"

The Japanese Government, according to the *Japan Chronicle*, has decided to set up a Committee for the study of measures to handle questions of thought. The Japanese Government, it is stated, has for some time felt the necessity of such an organ, and the resolutions adopted by both Houses in the recent session of the Diet urging the Government to lay down an effectual policy for the prevention of radical ideas have hastened the present decision. The new Committee will consist of the Vice-Ministers of Home Affairs, Justice and Education, the Chief Secretary of the Cabinet, the Director of the Legislative Bureau, and the Directors of the Bureaus concerned. It is proposed that through this organ the measures of the various Departments for the prevention and control of "thought" offences should be co-ordinated and unified.

Japanese Police Want to Detain Suspects Two Months

The Police Bureau of the Home office is pressing for a law for imposing heavier penalties for offenses against the national polity. The Department of Justice contemplates an alteration to the Peace Preservation Law for an extension of the period of forcible detention. Under the law in force, a suspect cannot be detained at a police office longer than twenty-four hours though on a procuratorial writ he can be detained for ten days. As it is felt to be impossible to complete the investigation requisite for prosecution during this limited period in the case of offences against the Peace Preservation Law (Communist offences), it is deemed necessary to extend the period of forcible detention to about two months at least.

Viscount's Son Arrested

It was made public in Tokyo last week that Toshinari Mori, son and heir of Viscount Mori, was arrested on March 2—the day his father was elected chairman of the Tokyo Municipal Council—on suspicion of Communist leanings. The police claim that the prisoner, who graduated from Tokyo Imperial University last year, took an active part in a Communist movement in the University.

No Passport for Nephew of Communist Exile

An application for a passport to Moscow filed by Isamu Yabuko, nephew of Sen Katayama, has been turned down by the Japanese Government on the ground that there are suspicious points in his reasons for the trip. Mr. Katayama is a well-known international Communist, holding an important position in the Third International, but he is said to be longing to return to Japan. A conference of his relatives decided to send his nephew to Moscow to meet him, provided his pledge to abandon Communism could be obtained. In spite of the ostensible pretext, the Japanese authorities have barred Yabuki's journey to Moscow.

Will Manchukuo Seize C.E.R.?

The railway dispute between Soviet Russia and Manchukuo advanced another stage April 13. In reply to Moscow's offer to return all freight cars evacuated to Soviet Russia but not the locomotives, the Manchukuo Foreign Ministry demanded immediate and unconditional return of all locomotives belonging to the Chinese Eastern Railway evacuated to Russia. The opinion was expressed that if the Soviets call a strike, or a lock-out, or hedge on the matter, Manchukuo will seize the C.E.R.

Reports from White Russian sources received in Harbin April 13 stated that troop movements had been observed in Soviet territory near Manchuli, the border town where the trans-Baikal line connects with the Chinese Eastern Railway.

Japan and Netherlands to Enter into Arbitral Treaty

A Tokyo telegram April 17 stated that an agreement had been reached between Japan and the Netherlands concerning the proposed ratification of an agreement providing for a Japan-Netherland arbitral tribunal. It is understood that, when ratified, the agreement provides for the establishment of a permanent commission of arbitration between the two countries, for which five committees are to be appointed, namely one each from Japan and Netherlands and three from third parties. Interpretation of treaties between the two countries are to be forwarded to the Permanent Court of Arbitration at the Hague.

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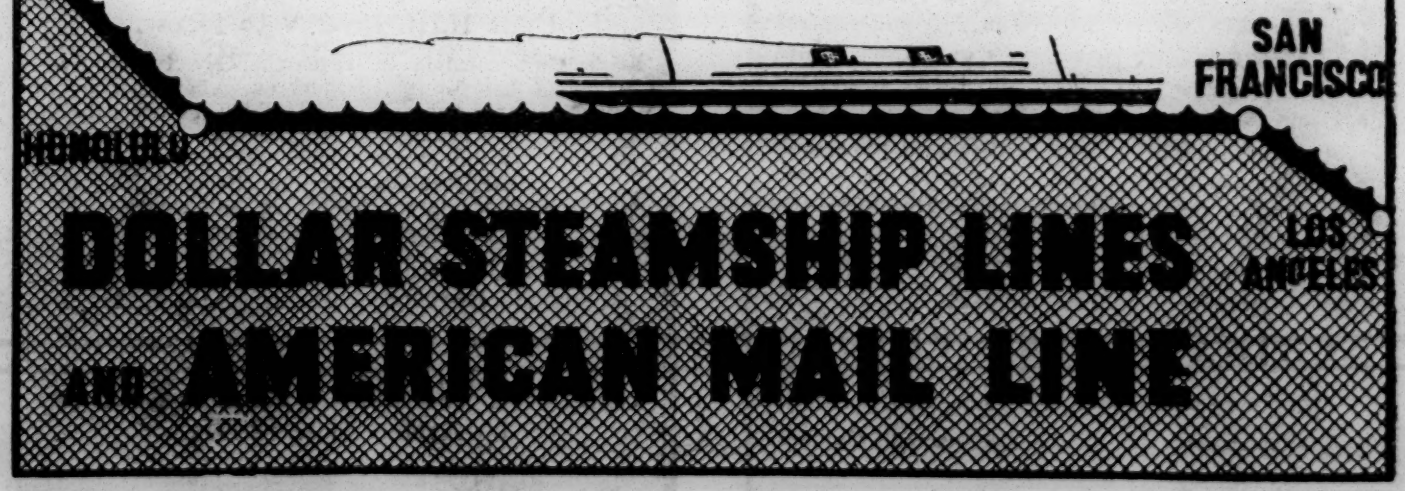
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